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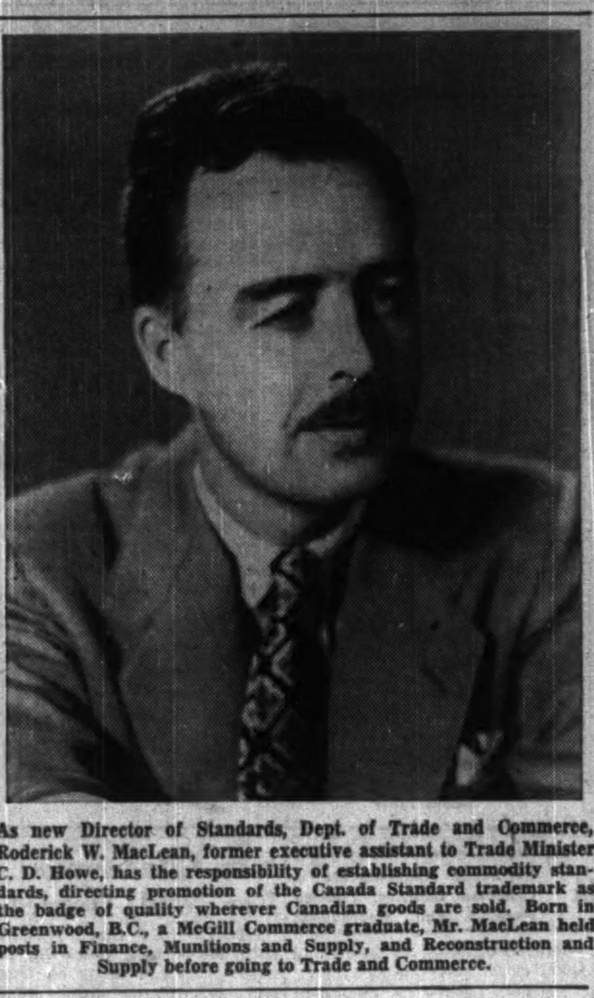
Standards Promoter



As new Director of Standards, Dept. of Trade and Commerce, Roderick W. MacLean, former executive assistant to Trade Minister C. D. Howe, has the responsibility of establishing commodity standards, directing promotion of the Canada Standard trademark as the badge of quality wherever Canadian goods are sold. Born in Greenwood, B.C., a McGill Commerce graduate, Mr. MacLean held posts in Finance, Munitions and Supply, and Reconstruction and Supply before going to Trade and Commerce.

THE NATION'S BUSINESS

Only Russia Gains From This Bickering

Only Russia and her puppets will get any benefit out of the campaign of abuse which a large section of the American popular press is directing at Britain. As a result, mutual recriminations are flying back and forth across the Atlantic and the worst possible atmosphere is being created for the extremely critical conference at Washington now a few weeks away.

It is no exaggeration to say that this conference is the most important of any since the end of the war.

Success will not easily be achieved. The problem will be successfully dealt with only by Britain and America working in a close harmonious relationship over months and years.

If these two powers can't get along, and if they don't jointly tackle the trade-exchange impasse, our civilization is in for dreadful events.

In their tirade against Britain, American critics, with some notable exceptions, are exhibiting a shocking ignorance of history and fundamental facts. In their blindness they are undermining their own country.

Forget all about humanity, ties of blood and the common interest in decency and human freedom.

On the grounds of crass self-interest alone, a prosperous and stable Britain is essential to the United States.

If Britain disappears as a world power then there is simply no hope of Western Europe being able to defend itself, no hope of containing rampant Communism in the East. There is no hope of carrying out the present U. S. defense policy which calls for a holding operation by European troops while American military forces are being mustered.

An impotent or defeated Britain means no bridgehead for United States forces on the other side of the Atlantic and no market for United States goods either.

It strained the combined resources of the United States, Great Britain and their associates to cross the English Channel and regain a foothold on the European mainland in 1944.

What is America's situation if Britain collapses in a future war like France did in the last one?

Everybody is tired after the strains of the past 10 years. Everybody is tired of "the crisis" and of high taxes and of controls.

But now more than ever it is vital that these two western powers walk in amity and understanding, hold for each other respect and confidence.

Canada has a vital stake in this matter. We can't prosper and, of course, we can't defend ourselves, unless both Britain and America are prosperous and able to defend themselves.

External Affairs Minister Pearson spoke for every Canadian this week when he asked both Uncle Sam and John Bull to keep cool. A long, grim road is ahead for both of them before the problem will be licked.

Where Will We Be in 2049?

In the year 2049 the United States would be able to support a population of 300 million people with a living standard eight times higher than it is today.

This is the conclusion reached in a remarkable study of the U. S. economy by Dr. Harold G. Moulton of the Brookings Institution in his new book "Controlling Factors in Economic Development." He is careful not to prophesy that this will happen but he is positive that it could. The natural resources are available, or could be available if the most modern scientific methods of conservation and development were applied universally. Where — as in the case of iron ore and oil products —present natural resources are liable to give out, substitutes and new synthetic materials can almost certainly be developed to take their place.

Among the conditions listed as necessary for such large-scale development as Dr. Moulton is considering these two are the most important: increasing productivity and increasing mass purchasing power.

The main factor in increasing productivity is the increased efficiency of capital equipment. Obsolete plant must be replaced quickly, mechanization must be carried into every possible operation, management policies must concentrate on this goal beyond all others. Labor's attitude must change too: efforts to spread work around and keep labor scarce must be abandoned. Labor must realize that if it is to get a larger slice of the cake, the cake itself has got to be bigger.

As production increases, the total income also increases. But the important thing is that more and more of this income should go to the people whose consumption wants are greatest. "The greatest single problem that confronts us," says Dr. Moulton, "is how to achieve such a distribution."

Because of the economic importance for all of getting purchasing power into the hands of the great masses, Dr. Moulton gives his blessing to the kind of share-the-wealth taxation now familiar in U. S., Canada and Britain, but only within limits. It must not be permitted to check individual incentive or threaten the country's financial stability.

The whole picture presented by this penetrating survey is a very simple one. It's all in the words of the familiar poem: "Earth might be fair and all her people one." We might all be prosperous. We might have twice as many people, eight times as rich as we are now. Nature and science (which is merely man's gradual learning about nature) make it possible.

Neither the challenge nor the goal have ever been greater. Let no one say there are no new frontiers. Moulton's record demands sober attention for his views.

More British Films For Theatres Here

Famous Players To Boost U. K. Movies; Eagle-Lion to Distribute Korda and Wilcox Productions in Addition to J. Arthur Rank's

By CYRIL BASSETT

A deal between two Canadian movie distributors and U. K. movie producers is going to give the United Kingdom more dollars and Canadian movie patrons more British films.

It will mean complete showings across Canada for British films; it's hoped that British movie producers will be able to double their present rate of earnings in Canada in the coming year.

The new arrangement—which involves Famous Players Canadian Corp. Ltd., largest theatre operators in Canada, and Eagle-Lion Films of Canada Ltd.—is a direct result of the visit here last spring of Rt. Hon. Harold Wilson, President of the British Board of Trade.

At that time, Mr. Wilson met with leaders of the Canadian movie industry to discuss ways and means of improving British film revenues in Canada.

The result: Eagle-Lion Films (which hitherto had been handling J. Arthur Rank productions for showing in the 116 Odeon theatres and through other channels) agreed to take on also for Canadian distribution the competing productions of Sir Alexander Korda's London Films and Herbert Wilcox—both top-ranking producers of quality movies.

Famous Players on its part agreed to take first call on the output of these two producers for showing in first-run theatres among the nearly 400 Canadian theatres in which it has an interest or owns.

Thus, from this fall, available British movie product in Canada increases from the films of one producing group being aggressively promoted through one theatre chain to that of three getting nation-wide promotion in practically every Canadian community.

Famous Players Names Two

Two of the 19 new productions available under the new deal have already been privately screened by Famous Players whose president, J. J. Fitzgibbons, has reported enthusiastically on their quality and has announced they will play his circuit with special advertising and promotional support.

These two films are Korda's "The Winslow Boy," a British Academy award winner and Wilcox's "Spring In Park Lane."

Says Mr. Fitzgibbons, "We're anxious to do all we can to help the British movie business. There is no questioning the wisdom of mixing into our programs finely-made British pictures both to help the trade situation and to give our patrons a greater variety and opportunity to see the best-made British product along with the best made from Hollywood."

Said Eagle-Lion's general manager, Frank H. Fisher:

"The dollar return to Britain from motion pictures for the next 12 months beginning Sept. 1, could easily be double of that for any previous year.

"Revenues have been rising steadily since the J. Arthur Rank interests entered Canada in 1945. Before then, British film earnings in Canada had been erratic and negligible.

"Now the export into Canada of additional films from Korda and Wilcox provides another line of quality product for Famous Players and means that the policy of blending British and American entertainment will become the policy of most key cinemas in this country."

Dollarwise to Canada, the new deal means some reduction in Canadian U. S. dollar spending on movies for hitherto the Korda and Wilcox products have been available only through U. S. sources.

PRICES

Fuel may cost the householder more next month and after.

Anthracite seems almost certain to take a boost of 50c a ton due to an increase in U. S. freight rates Sept. 1, plus an increase of 10c to the wholesaler at the same time.

Soft coals can be expected to increase by a somewhat smaller amount.

Fuel oil, in the view of many industry officials, is likely to go up by ½c a gallon before winter.

Rentals in Toronto on apartments, duplexes, and other multi-family dwellings may now be boosted 4% to take care of average assessment increase. Owners of other types of dwelling may apply to rentals board for like increase on grounds of increased assessment.

In U. S. metals price confusion ended last week when principal lead producer advanced quotation to going custom smelter level. After weeks of see-sawing lead price stabilized at 15.125c New York.

Copper, zinc prices likewise held firm.

Steel scrap prices also firm with market showing new strength in face of uncertainty arising from labor situation in steel industry.

Eggs advanced sharply on Toronto market at midweek with Grade A large up from 61-62 to 64-65c in wholesale to retail trade.

Cattle prices firm on good quality killers at Toronto at midweek. Poorer qualities showed moderate decline.

Grains on Winnipeg exchange were firm in sympathy with Chicago advances.

Union Gas Import Deal May Feed Big Ont. Area

Big news for Ontario gas users developed this week with the announcement by David P. Rogers, President of Union Gas Co. of Canada, that his company is exploring the possibilities of supplying Texas natural gas to Toronto, Hamilton, Windsor and larger intermediate communities.

The company has an option from Panhandle Eastern Pipeline Co. for a quantity of gas estimated to be sufficient to meet the Ontario demands, it is said.

Company representatives in the larger markets such as Consumers' Gas Co., in Toronto, United Gas & Fuel in Hamilton and the Dominion Natural Gas Co., are now making preliminary studies as to how the proposal would fit into their markets. It is probable that natural gas would be mixed with manufactured gas and that straight natural gas would not be served in those centres which have manufacturing facilities. Under final plans, supplies of natural gas from local sources would continue to have a ready market.

"It will be six to eight weeks before these preliminary studies are completed," said Mr. Rogers, "and they will have to be completed before it is possible to determine whether the plan is economically feasible or to comment on its potentialities." It would probably take two or three years to obtain the necessary government approvals and to carry out the required construction work, it is said.

Union Gas already has a contract, signed in 1944, with the Panhandle company for the importation of 5.5 billion feet of gas a year. This summer small but steady deliveries of Texas gas have been received under this contract. The 1944 agreement will remain in force until a new contract is operative in connection with the larger program, at which time it would be superseded.

Union Gas presently serves most municipalities in the area between Windsor and London and between Sarnia and Lake Erie. Dominion Co. serves a large area to the east, including St. Thomas, Brantford, and St. Catharines.

Stock of Union Gas has recent-

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Waiting For Cheaper Fuel? Sorry, Increases Likely

If you've held off buying your winter fuel supply in the hope of getting lower prices later on — and more than ever have, dealers say — you'll likely be sorry.

The word all round is: increases are likely.

Anthracite, it seems almost certain, will take a boost of 50c a ton next month, with a somewhat smaller increase on soft coals.

In fuel oils, although the price situation looks more stable than last winter, there's a distinct possibility of a moderate upward boost of say, ½c a gallon, in the view of many oil officials.

Supplies look good in both oil and coal — at the moment. Tightest situation will likely be in soft coal for domestic heating purposes other than stoker coals. Fuel oil is in ample supply.

What's behind the mooted increases?

In the case of oil, refinery men are looking for a restoration of former profit margins.

Although recent ½c boost in gasoline went far toward improving this picture, refiners say there'll have to be a drop in crude prices to bring it into line, or with the heavy summer motoring season nearly over fuel oil users will be called upon to make up the leeway.

In the case of coal, U. S. freight rates go up 4% Sept. 1, which would add 10c-16c a ton to the cost. At the same time September will also bring fourth monthly 10c advance to anthracite dealer. Dealers are expected to look to the consumer to foot most of this bill.

Jet Fighter Contract Soon For Canadair?

OTTAWA (Staff)—Announcement is expected here soon of the terms of the contract between the Government and Canadair Ltd. for the building of 100 F86 jet fighter planes. Canadair is ready to go ahead with the order as soon as the contract is signed.

The Government announced in April that it had acquired the right to manufacture these planes and concluded a license agreement with the North American Aviation Co. of Los Angeles. Performance figures of these military aircraft are necessarily secret, but government officials believe that the F86 at least equals anything available anywhere in the world and point to the great advantages tactically and operationally of having aircraft interchangeable with the U. S. Air Force.

Progress in Integration

On other fronts, the movement towards integration of types and standardization of parts is making slower progress, and the new version of the U. S. military assistance bill gives little help. It still apparently forbids the U. S. armed forces to purchase their own equipment in Canada, though it does permit offshore purchases here for the other partners of the Atlantic Pact. This might provide Canada with some U. S. dollars.

Any contribution of Canadian arms to the other Atlantic Pact nations outside those which might be paid for under the U. S. MAP, will run into this difficulty: all new arms manufactured here have an inevitably high U. S.-dollar content: that's to say Canada cannot manufacture them without expending a substantial number of U. S. dollars on components or raw materials. On the other hand, supplies cannot be taken out of stock in large quantities unless they are replaced, and the replacements would cost just as many U. S. dollars, indirectly if not directly.

Seek New "Hyde Park"

Canada's own armed forces covet a number of U. S. items of equipment, ranging from tanks and transport aircraft to quite small items. But the Government cannot afford to buy them for its own forces, let alone for Europe, unless the United States will approve some up-to-date version of the Hyde Park agreement which would allow the U. S. to spend here the equivalent of what Canada spends in the United States. The Military Aid Bill brings such a step no nearer.

New Import Bans On U. S. Goods?

Steel and Some Capital Goods May Be Tightened Up—What it Means in Terms of Havana Agreement—Effect of U. S. Business Trends

OTTAWA (Staff)—After the official warning given by Trade Minister Howe in July, it will be no surprise if the new session of Parliament is asked to approve new restrictions on imports from the United States. Canadians have been warned especially to expect new controls on imports of primary steel. There have also been strong hints that restrictions on import of capital goods from the U. S. might have to be tightened up.

How far these measures may have to go no one can predict, and official circles make it clear that no firm decisions have been, or can be, taken yet.

When Dana Wilgress, the Canadian delegate to the Annecy trade talks, told that 23-country meeting that at least half of them were using the "escape" clauses of the Geneva and Havana agreements to adopt quantitative or discriminatory trade restrictions, he understated the case considerably. Offhand, trade officials here could think of only one country which was not doing so—the United States. Canada has been able to follow the spirit of the international agreements more closely than most other countries; but the whole quota system of the exchange conservation act is contrary to the Havana agreement except by virtue of the escape clauses. What Canada has not done is to adopt openly discriminatory regulations: though there is an exception in the case of U. S. automobiles. The regulations on jewelry and other items adopted this summer also come near the line: open general permits are granted to soft-currency countries and imports from dollar countries must come under a miscellaneous quota category, which means an importer can bring them in only if he gives up certain other imports.

Avoid Open Discrimination

The maintenance of the "non-discriminatory" principle is admitted to be a matter of form rather than substance, since the whole object of the quota system has been to reduce imports from the U. S. and encourage imports from soft-currency countries. But official circles attach real importance to the maintenance of the non-discriminatory form, and only the most severe pressure on the exchange reserves would drive them to risk offending the United States by adopting openly discriminatory measures.

Over the next half-year (and few people can look much further ahead), Canada's fundamental trade position depends principally on these two factors:

1. The outcome of the Washington talks on the sterling-dollar problem.

2. The relative trend of U. S. and Canadian business.

Of these the second is expected to have more important short-term effects than the first. The fact that Canadian business was maintained at high levels this

(Continued on page 3, col. 1)

Inside News

What Jobs For Ottawa?

What main job would you like to see Parliament undertake in the coming session? Post readers list priorities. The Question (p. 7).

Investment Trust Boom

Investment trusts are enjoying high activity. What's behind the boom? What does it mean to small investors? An important, timely article. (p. 9).

UK—View of Crisis

What is the U. K. man-in-the-street saying, thinking about the trade crisis? He's hardly aware that there is one or, if he is, believes the Washington talks will solve everything, reports Adelphi in London Calling (p. 8).

Partners in Enterprise

At Wabasso Cotton Co's three Quebec plants workers take home a substantial something extra each quarter. It's their share of the new wealth their efforts have helped to create under the company's share-of-production plan — unique in Canada. How it works, what it sets out to achieve (p. 11).

Face-lifting for Stores

Take an old store front, remodel it in glass — and then watch the cash register ring up big new sales. That's what scores of retailers in cities, towns and villages across the country are doing today in a big new face-lifting operation on the merchandising front (p. 11).

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Leyland Plans Expansion, Makes Offer to Fairchild

Leyland Motors (Canada) Ltd., British truck manufacturing firm, has long-term plans to go into complete manufacture of Diesel transportation in Canada, The Financial Post understands. If these plans materialize Leyland would become the sole manufacturer in the field in Canada.

Expansion of the company's activities was foreshadowed this week by publication of an offer by the company to buy for $600,000 the buildings and land at Longueuil, Que. owned by Fairchild Aircraft Ltd.

Leyland (Canada), incorporated last year, is a subsidiary of Leyland Motors Ltd. of England, and at present assembles U. K.-manufactured vehicles for the Canadian market in part of the Malton plant of A. V. Roe (Canada) Ltd. and in a small plant at Ville St. Pierre, near Montreal.

A five-year expansion program, it is understood, envisages complete manufacture of trucks not only for the Canadian market but for U. S. and South America.

The parent company—one of the largest truck manufacturers in the Commonwealth—has done business in Canada for the last 30 years through direct branches.

The Post understands that if Fairchild shareholders accept the Leyland offer at their annual meeting on Sept. 13, Leyland's immediate objective will be to step up service for the Canadian market and to manufacture in the new plant such products as could be produced on an economical basis.

Complete trucks would likely be manufactured at the new plant with the engines continuing to be imported from England for a time. Present limited market in Canada would not permit the manufacture of Diesel engines or parts there at present but this should come later as the market develops.

The firm's original idea in establishing in Canada was to use as much Canadian content as possible. But it is understood they were disappointed with what they could buy here.

If the sale goes through, The Post understands Leyland Motors would concentrate its Canadian operations in the Longueuil plant but would continue to operate its Malton plant as a maintenance and parts depot. The head office would likely be shifted to Montreal from Toronto.

The sale, if approved, is considered likely to be effective Oct. 1 and Leyland is expected to start in partial operation in the plant around Nov. 1.

Leyland Motors has learned a good deal about the Canadian market and the difference between transportation conditions here as against in Britain and Europe since establishing here, it is understood.

It has developed its own Diesel engine over a number of years in England both for transportation use and industrial power units and marine engines.

It is possible that the firm would be able to develop an export business from Canada to the United States. The Post understands Leyland now has an arrangement with White Motor Co. in the United States whereby White will use Leyland Diesel engines.

Double Steel Buying In UK?

OTTAWA (Staff)—The threatened reduction of imports of unfinished steel from the United States will be partly offset by increased supplies from the United Kingdom, The Financial Post is informed.

Early this year the U. K. Government set a target of 80,000—85,000 tons of steel for Canada in 1949, making her one of Britain's largest markets for unfinished steel. Starting with the last quarter of this year, this figure is being increased and it is hoped that it may be doubled.

Diversion of increased steel supplies to Canada from Britain's other customers will, it is thought here, bring home forcibly to other sterling countries the need for increased dollar earnings.

Ont. Forests 'On Fire' Again

Sawlog Operators Light Blaze Under Pulpwood Men

Ontario's forests frequently burst into newspaper headlines. If it's not forest fires, it's alleged mismanagement or political scandal.

They're in the headlines again, on both counts. This week, more than 150 fires were raging in the province. But the hottest fire was in the timber-rich area north of Lake Superior, where sawlog operators were at loggerheads with pulp and paper men.

Spearheaded by E. E. Johnson, president of the Great Lakes Lumber & Shipping Co. of Fort William, the sawlog operators were lighting a fire under the Ontario forest situation. The basic ingredients behind the situation were:

—Johnson's threat to close his war-born sawmill (800 employees) on Nov. 1 unless he is assured an adequate supply of raw material (sawlogs);

—Political pressure to force the Ontario Government into speedy implementation of the Kennedy Royal Commission report on Forestry;

—The announcement that Great Lakes Paper Co. planned to build a sawmill in Fort William.

It was the beginning of a two-year fight to "end the domination of the area by the pulp and paper industry," Johnson said.

What were the facts on the three sides—sawlog, pulp and paper and Ontario government—with Lakehead business caught in the triangle?

The sawlog men regard the Kennedy Report as proof of discrimination against them and they quote the Kennedy recommendation that "government policy be inclined in favor of the lumber industry rather than against it, as would appear from stumpage rates, ground rents and limit allocations of the past decade."

Want to Exchange Wood

What the sawlog men want is the right to operate on pulpwood limits. They want to cut everything merchantable, the sawlogs going to their mills, the pulpwood going to pulp mills. Similarly they want pulp men to clean-cut, giving them at cutting cost the sawlogs.

The pulp and paper people say they must have large timber limits, hence long-term guarantee of adequate supply to protect their giant investments in mill and equipment. Great Lakes Pulp & Paper, for instance, has leases on 3,500 sq. miles, has $15 millions in mill buildings, equipment, etc.

The Kennedy report recognized that fundamental problem when it said of the inter-limit operation: "The sawmill lacks assurance of continued supply and the pulp and paper companies involved cannot accurately estimate the effect that possible cutting programs for sawlogs may have on their sources of pulpwood supplies."

Pulp men say, in effect, Johnson's operation is just too big for conditions in the area. Rumors are flying that Johnson has vast piles of lumber in his yard that aren't moving under today's market conditions; that he would like to sell the mill.

The ebullient, vociferous Johnson is the biggest of the sawlog men in that part of the country.

(Continued on page 3, col. 4)

Pace of Business

Tourist entries into Canada have been on an increased scale in 1949. Foreign vehicles entering this country totaled 453,200 in July, an 11% increase over 1948. Entries for first seven months—1,026,300 vehicles (911,800).

Car loadings on Canadian railways totaled 74,192 cars the week ended Aug. 13 against 69,048 cars the preceding week (75,971 cars 32nd week of 1948).

Department store sales dropped 8% from the 1948 level in the week ended Aug. 13 with all regions sharing the decline. Sales in Ontario were off no less than 13%.

Primary power use from central electric stations showed a rise to 116,035 thousand kw hours in June compared with 115,733 in May (111,032, June, 1948).

Coal production in Canada for July at 1,100,300 tons was lower than a year ago for fourth successive month. Decline from July, 1948, was 19%. Imports also fell 53%.

Motor vehicle financing showed a sharp rise in June: 23,306 vehicles financed with value of $21,239,301—a 51% increase both in number and dollar volume over June, 1948.

Life insurance sales—ordinary life—totaled $103.5 millions July, 1949, up about 10% over July, 1948.

Canadian newsprint output showed increase of 5% in first six months of 1949 at 2,383,800 tons. Present buying is reported more cautious in anticipation of lower prices.

Business profits are running at continued high levels but $43.8 millions increase in corporation tax collections by Ottawa for first four months not indicative of any sizeable increase as tax rate 10% higher.

For The Sportsman!

A new outdoors suit for men . . . made from fine "Ventile" cloth . . . treated to obtain the highest rating of water-repellency in cotton poplin and mercerized to provide a smooth soil-resisting surface. Woven in England, it is one of a large selection of outdoor clothes and sporting equipment now at

EATON'S

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Examination of Canada's television future, discussions on market and advertising research, study of advertising case histories, and presentation of awards to advertising's leaders are on the agenda of this year's annual meeting of the Association of Canadian Advertisers, in Toronto, Oct. 19-21.

Forum speakers include Leonard Bush, vice-president of Compton Advertising Inc., New York; "What happens to radio with advent of television"; A. Davidson Dunton, chairman of CBC governors, "Canada's Television Future"; Gordon Hughes, research director, General Mills Corp., N.Y., "How market research can help you in a buyer's market"; George J. Abrams, advertising manager, Block Drug Co. Inc., N.Y. "The Story of Amni-dent"; N. Roy Perry, business manager of Maclean's Magazine and Chatelaine, Mark Napier, vice-president of J. Walter Thompson, and Charles Sauriol, of Poirier Bessette "Report on the Canadian Advertising Research Foundation."

Luncheon and dinner speakers include Charles G. Mortimer, Jr., vice-president in charge of marketing, General Foods, N.Y., "Advertising as a force in distribution"; Henry Schachte, national advertising manager, Borden's Inc., N.Y., an address and spectacular; and Paul West, president of Association of National Advertisers (U. S.), an address on international affairs.

* * *

Walsh Advertising Co. (Toronto) says heavy advertising schedule for Wadsworth Compacts—Canadian-made product of Parker Pen Co.—begins in October with class magazines; includes mass circulation magazines during last three months of the year; and in December will use four-color pages in three rotogravure publications.

* * *

Yardley of London (Canada) Ltd. appoints Thomas Blakely as advertising manager—new post in firm. Blakely leaves post of creative chief of McKim Advertising Ltd., agency directing Yardley advertising.

* * *

Mayfair Magazine announces changes in its advertising sales staff: A. B. Carveth to Montreal as advertising representative, replacing John Farley, retired to live in West Indies. C. C. "Brad" Bradstock appointed advertising representative covering Toronto and Ontario; was formerly associated with Canadian Daily Newspapers' Association.

* * *

"Canadian Car & Bus Advertising Ltd." is new name adopted by The Canadian Street Car Advertising Co. Ltd. Addresses of offices in Montreal, Toronto, Winnipeg, and Vancouver remain unchanged.

* * *

Harry E. Foster Advertising Ltd. appoints Robert C. Elvin as account executive in its Toronto office; was formerly with another Toronto agency.

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O'Brien Advertising Ltd. (Vancouver) is handling advertising program to introduce to Canada low-price precision-built cameras carrying a "Made in Occupied Japan" stamp. McQueen, White & Dickinson Ltd. of Vancouver have exclusive distributing rights.

* * *

Ronalds Advertising Agency Ltd. (Montreal) says newspaper ads during September, October, and November will introduce for Pal Blade Corp., Montreal, a new hollow ground injector blade as well as "improved" Pal double-edge blades in new plastic "Zipak" dispensers.

* * *

New column of personalized advertising begins Oct. 29 in rotogravure sections of two week-end newspapers; written, produced, and sold by Michael Craig & Associates, Toronto; headed "A Man's Thoughts — for women only"; based on theory women cook, dress, and do many other things to attract or please men.

an important market

September 11-18th, 1949 this, the fiftieth jubilee of the Prague International Fair, Czechoslovakia. Industrial and trade interests from all over the world, eager for outstanding merchandise, plan to attend. A cordial invitation is extended to Canadian buyers and representatives of Canadian export firms.

for further information, write commercial attache, 171 Clemow Ave., Ottawa, or Veletrzni 20, Prague VII, Czechoslovakia

Canucks Stream Back From U. S. Most of University Crop Placed

As 13% fewer students than a year ago prepare to return to Canada's universities next month, educators wonder what new pattern of higher education will take the place of DVA grants to individuals and institutions which have powered the rapid expansion of recent years. Core of their problem is how to preserve academic independence and yet secure funds for the more complex role which a modern university is expected to assume.

While various schemes are studied, fresh evidence can be offered Canadians on what they get for their university dollar:

1. Drain on public and trust funds through the exodus of university-trained Canadians to the United States is a factor of declining importance as some reversal of the trend now becomes evident.

2. Industry's appetite for the university "product" remains keen so far, as evidenced by the placement of 94% of last spring's bumper graduating class by the beginning of August.

Counteracting the much-publicized "export of Canadian brains" is the import of brains trained at U.S. expense. These constitute Canadians who have been away attending U. S. universities, but who are now coming back to find their careers in Canada.

A new and welcome development of the National Employment Service's Executive and Professional Division has been to find jobs for such students in Canada. Normally no list of these students would be available, but DVA was able to provide records on veterans studying in the U. S. During the past two years, letters have been sent out to more than 2,000 Canadians in this category. More than half replied, and only one student said he had no desire to return to Canada.

Turning to the over-all movement of Canadians south of the border provides further evidence that the drain, though serious, has been much exaggerated. The average exodus since the war has been just under 23,000 a year. Against this, the number moving from the U. S. to Canada was 16,000 so that the net drain is less than 7,000 a year.

Nor are the Canadian emigrants all in the much-lamented category of "talented young Canadians." More than half of them were dependents. Only 10% had any professional qualifications.

Meanwhile, a report from N.E.S.'s Executive and Professional Division shows that Canadian industry is employing a higher proportion of this year's university graduates than ever before.

Only a little more than 900 graduates were still looking for jobs on August 1, out of a total graduation of more than 16,000.

This placement (94%) is better than any previous year. Usually as many as 10% are still looking for employment in the fall.

Hardest to place this year are the graduates in arts, pass B.Sc's (though not honor B.Sc's) and those in commerce, business, and finance.

Arts and pass B.Sc's accounted for some 6,000-7,000 out of this year's graduates. The fact that 10% are still unplaced reflects the tendency of many employers to place no special employment value on their courses since they do not include direct technical training. In reply, E and P. placement service points out that the increased maturity of these graduates—compared, for example, with those who have had only senior matric — and the higher level of their general education often turns out to be real assets to an employer.

This year's classes in commerce, business and finance represent about 10% of the total. Percentage unplaced at the beginning of August was estimated between 6% and 7%. The highest number is in British Columbia where this year's class was somewhat in excess of the province's requirements. Otherwise the 90 odd unplaced graduates are fairly evenly spread across the country.

Graduates in agricultural science seem to have been in greater demand than ever before. This year's class of about 1,000 was four times the normal graduation, but nearly all of them have been placed. The proportion of graduates was highest in the Prairies but many job openings were in the central provinces.

In chemical and electrical engineers, there is a small surplus of graduates in the West and the Maritimes; the service thinks it could place these in the central provinces.

In the Maritimes as a whole, the service knows of only 61 of this year's graduates who are looking for jobs.

About half of this year's graduating class were actually on the books of the E. and P. service, and their placement was an operation dating back to the autumn of 1948 when E. and P. representatives visited all universities to address students on the services available. Efforts were made to have all students requiring jobs registered by Jan. 31. At the request of the three universities in the Prairie Region, NES offices were set up on the campus and operated throughout the year. At other universities NES representatives visited the campus on stated days each week as arranged with university authorities.

Approach to employers began as early as December, 1948, with a letter sent to more than 10,000 employers. As returns were received, lists of openings were printed and distributed to all E. and P. offices, universities, and all local NES offices in university towns. Index to employer reaction are these figures on openings uncovered for the last three years: 1947 — 7,130; 1948 — 10,850; and 1949—17,002.

Plans are already under way for placing next year's graduating class. It promises to be another large one, since the peak-load of veterans in five-year courses — such as engineering at some universities—now enters the final year. About 50% of this year's graduating class were Second Great War vets; next year's veteran graduations will also be high; then the proportion will taper off.

In addition to the career placements, summer employment was found up to August 1 by more than 94% of the undergraduates, many of whom were veterans.

Placement of new graduates is only one of E. and P.'s jobs; more than half the persons registered with the service are now in jobs but are looking for advancement.

The service claims it can track down a man with the required qualifications for a given job anywhere in Canada. If there is nobody filling the bill on its books in any of the 10 provinces, it will even go to firms in the same line of business and ask for suggestions:

A highly specialized firm in Saint John, N.B., was looking for a manager at $7,000 a year. Since no one on E. and P. books had the required qualifications, the division went to a number of firms in the same line of business and asked them if they had any promising young men to recommend for this quick promotion.

Several small firms in Quebec had just the man, but they couldn't spare him. That was that, because the division never approaches a man behind his employers' back.

A larger firm in B.C. said they had a young man who would fill the bill and who would not get a similar chance with them for years. They gladly recommended him. The Saint John firm interviewed him, and decided to take him on at $10,000 a year.

It doesn't always work out as happily as that, but officials claim this is a fair example of how the service can work (a) to find employers exactly the kind of skilled help they need from inside Canada (b) to find jobs for the qualified Canadians who, without this help, might be driven to seek opportunities elsewhere.

The exact categories of jobs covered by the Executive and Professional Division have not been defined, but it has been established by precedent that it covers deep-sea divers. An application for a deep-sea diver was received—improbable as it may seem—from Winnipeg. Still more improbable, but true, is the fact that the division filled the application without having to go outside Winnipeg.

Up Toronto Apartments 4% to Offset Tax Rise

Toronto this week joined the growing string of cities — until now mainly Winnipeg, Victoria (The Financial Post, July 2) — getting in on Ottawa's latest rent decontrol move. The formula: Groups of landlords, or municipal councils on their behalf in cities boosting assessments and taxes apply to the WPTB rentals board and get a local "blanket" order permitting an automatic hike in rents to offset the tax rise.

Such is Toronto's WPTB rental order 809 effective this week and issued on application of the Property Owners' Association of Toronto.

In Toronto assessment rolls on which 1949 taxes are based, values of many residential properties have been increased and, although the mill rate is down, municipal and school taxes payable on many multiple-family buildings, such as apartment blocks and duplexes, are up. Tax bills demanding these increases are still being issued but the increases are effective from Jan. 1.

Order 809 relieves Toronto landlords of multiple-family buildings from the necessity of making individual application for relief. It automatically increases controlled maximum rentals 4% "calculated to the next higher 25 cents." For example, if previous maximum rental was $57 a month, 4% or $2.28 is added. The new total is $59.28, then "calculated" to $59.50.

Landlords and tenants of detached, semidetached or terrace-type houses aren't included. For tax-offset relief in such properties, individual applications will be made as before.

Multiple-family landlords demanding the 4% automatic increase will do so on WPTB form No. 2, giving a full month's notice where tenant is in month-to-month occupancy. In the case of a term-certain lease he will advise the tenant in writing that after expiration of the term the lease will be carried on as a monthly lease; later, when the monthly lease is in existence, he will give the tenant a month's notice on form No. 2.

One exception: The term-certain lease containing a contingency clause providing for rent increase to cover tax rise, thought to be relatively rare in Toronto. Here the landlord in many cases is recovering his tax hike automatically.

For most month-to-month tenancy, the landlord will give notice Sept. 1, effective Oct. 1 and covering October and following rent. Thus he appears likely to recover only the final quarter of added 1949 tax costs.

Tenant's Grim Choice?

There's a strange loophole here. The order provides that if the tenant "is willing" he can pay the increase retroactive to Jan. 1; "is permitted to do so" by the terms of the order. Some month-to-month tenants, The Post is told by real estate men, may be offered new term-certain leases as an inducement to pay the 4% increase retroactively. Others may do so just to "sweeten relations" with a decontrol-minded landlord. But early reports of tenant reaction to the idea of wholly voluntary payment of the increase for back months suggest such cases may be relatively rare.

Property owners affected say they think many tenants will decide for themselves for back payment as "only fair and equitable for landlords grievously pinched between risen costs and rent ceilings." WPTB officials agree both in the sentiment and expectation, The Post was told in Ottawa.

Toronto Property Owners' Association applied for a bigger increase than the one granted—wanted about 5%. It also asked that collections be made retroactive by order, instead of the "voluntary" formula now laid down, and of which the association says, "we think it may work out all right for us anyway."

Why is no such blanket relief given owners of controlled detached, semi-detached and terrace dwellings? How did Ottawa arrive at a 4% over-all increase for the multiple dwellings as likely to prove in most cases a fair compensation without over-compensation?

Rental control investigators recently "surveyed" Toronto residential rental property in a "spot check of typical buildings, districts and rental rates" to study the effect of reassessment and tax increase. (City assessment officers haven't got around yet to over-all analysis, haven't any comparative figures.)

Their report to the WPTB, in effect:

"Most controlled single family dwellings pay less under reassessment, or very little more; most multiple-family buildings pay more, many substantially more." (Mayor McCallum's statement that most apartment owners are paying less after reassessment is almost generally disputed or questioned.)

"Landlords of single-family and semidetached rental housing can apply individually for relief without great 'paperwork load' on themselves or WPTB. The situation of owners of multiple housing, on the other hand, suggests immediate relief and the 'work load' dictates blanket relief."

"A blanket increase of 4% is the nearest reasonable figure to an average level of tax-offset that will meet most such losses and not produce a 'profit' except in rare instances."

Philips Markets $1,250 Protelgram Video Receiver

Latest entrant in the television set field in Canada is a $1,250 (retail, anywhere in Canada) receiver which projects the image on a flat screen, in contrast to the direct-view types already on the market.

Production of the "Protelgram" is under way at the Leaside, Ont., plant of Philips Industries Ltd. and Rogers Majestic Ltd. (both related in the world-wide Philips organization, with Philips Eindhoven as its nucleus).

While early units have been spoken for, sales activity is already under way.

Direct-view receivers have relatively small picture dimensions "since practical considerations limit the size of television tubes," claims Philips' officials. In the Protelgram system, an even smaller cathode-ray tube, only 2½ ins. in diameter, is used, but the image is projected on a square-cornered screen, 16 ins. by 12 ins., giving a "more lifelike picture in true tones of black, grey, and white, that is easy on the eyes and can be viewed from five feet to 50 ft. This system is already used, under license from Philips, by more than 20 manufacturers in the United States.

The Protelgram set can also be produced so that it casts a 4 ft. by 3 ft. projected picture on a screen or wall.

Your Simpson's Tailored Topcoat Each 59.50

From mill to you these fine topcoats are quality controlled to bring you the ultimate in fine tailoring combined with superior English gabardine! They're priced way below what you'd expect to pay for this quality . . . which is probably the reason why they're so hard to get when the season is well under way. Drop into Simpson's at your earliest free moment and try one on . . . they're a topcoat that needs no selling . . . the quality of fabric and tailoring . . . the surprisingly low price are the finest silent salesmen!

- Smooth slip-on style
- English Bilton collar
- Fall Shades
- Full Size range

Each $59.50

Simpson's the Store for Men—Second Floor

Simpson's

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Air Force (Ottawa)—Group Capt. K. L. B. Hodson, director in air plans division of headquarters.

Argentina Govt. (Buenos Aires)—Arnaldo Caviglia, Montreal, Tulio de la Rua, Toronto, consuls.

British Columbia Govt. (Victoria)—John Cates, labor minister.

Canada Govt. (Ottawa) — Alexander A. Anderson, asst. chief engineer Public Works dept.

Canadian Pacific Railway Co. (Montreal) — J. Fullerton, to Winnipeg as asst. freight traffic manager; F. K. Hollyman, to Montreal as asst. freight traffic manager; A. M. Shields, to Toronto as general freight agent, sales & service.

Canadian Pharmaceutical Association)—J. Sheldon Spurr (Nanaimo, B.C.), president.

Canadian Red Cross Society — Harold Motton, Toronto branch executive secretary.

Canadair Ltd. (Montreal) — William K. Ebel, vice-president in charge of engineering.

Chatco Steel Products Ltd. (Toronto)—E. J. Marnell, director of manufacturing; L. E. Fagan, contracts division sales manager.

A. J. Freiman Ltd. (Ottawa) — Harold Perlmann, general merchandise manager.

General Motors Diesel Ltd. (London, Ont.)—E. V. Rippingille, Jr., a director, president & general manager; C. R. Osborn (Lagrange, Ill.) board chairman; A. F. Power, a director and vice-president; M. L. Prentis, a director and treasurer; W. A. Collins, secretary; J. H. Organ, assistant comptroller; R. K. Evans (Detroit), R. S. McLaughlin (Oshawa, Ont.), B. A. Dollens (Lagrange), W. M. Collins (Detroit), W. A. Wecker (Oshawa), directors.

Health League of Canada (Toronto) — Grenville Goodwin, Ottawa branch president.

Household Finance Corp. of Canada (Toronto)—H. D. Horwood, at Trail, B.C., C. A. Smith, at Regina, branch managers.

Minnesota & Ontario Paper Co. (Minneapolis) — U. L. Plain, Insulite division assistant sales manager.

Kelvinator of Canada Ltd. (London, Ont.)—John Sinclair, asst. general manager.

Manitoba Judiciary—John Joseph Kelly, K.C. (Winnipeg, Manitoba Power Commission vice-chairman), to Court of King's Bench.

Newfoundland Judiciary—Sir Albert Walsh, chief justice of supreme court.

Newfoundland — Sir Leonard Outerbridge, lieutenant-governor.

Northern Electric Co. (Montreal)—D. W. McEwan, at Fort William, Ont., A. W. Watson, at Kirkland Lake, Ont., J. P. Gailloux, at Val d'Or, Que., branch managers; C. E. Woolgar, wire & cable manager general sales division; M. R. Macdonald, sales supt. wire & cable division.

Osler & Hammond (Toronto) — Geoffrey R. Marani, an associate.

Photo-Engravers' Union of North America — Frank D. Smith (Toronto), a vice-president.

Quebec Manganese Mines Ltd. (Montreal) — F. G. Caisse (Montreal), secretary-treasurer; Hans Brassler, Cecil Manns (both New York), directors.

Senate of Canada (Ottawa)—Ray Petton, Maj. Alexander Baird (both St. John's, Nfld.), George J. Penny (Ramea, Nfld.), members.

Toronto Textile Machinery Co.—Harold Battye, chief consultant on textile carding machinery.

United States Govt. (Washington)—James E. Callaghan, to Vancouver as consul in charge of visas.

Woodhouse & Co. (Montreal)—R. H. Wood, comptroller.

New Bonetal Hole 2.4 oz. For 7 ft.

Excellent ore has been opened up by the drift extended into the Bonetal Gold Mines property from the Porcupine Reef mine at the 970-ft. level and its further extension is indicated by a drill hole running 2.37 oz. over 7 ft.

The first 151 ft. of drifting averaged, over drift width of 7.4 ft., 0.57 oz. or $19.95 uncut and 0.26 oz. or $9.10 cut from chip samples while mucks ran $10.50. The vein, which was displaced by a fault, has been located about 45 ft. to the south in a drill hole which intersected a width of 7 ft. averaging 2.37 oz. or $92.95 uncut and 0.43 oz. or $15.05 cut grade.

Bonetal, a subsidiary of Broulan Porcupine, is being operated by Broulan and is being explored from the Porcupine Reef workings immediately to the west.

Sun Life Lends For Nfld. Homes

ST. JOHN'S — Sun Life Assurance of Canada, Montreal, has made mortgage loans on about eight new houses in St. John's, Corner Brook and Grand Falls — and has several prospective loans under consideration in Newfoundland — jointly with Ottawa's Central Mortgage & Housing Corp., under the National Housing Act. As in the rest of Canada, the insurance company put up 75% of the loan, CMHC 25% and terms for borrowers also are according to NHA standard.

Claude Dawe, general insurance agent in St. John's and who handles Sun Life business here, is dealing with mortgage applications in the area while similar investments in the other Newfoundland centres are being administered from Montreal.

Sun officials expect substantial growth in the company's housing investment on the island.

Obituaries

Walter Harold Covert, 84, Dartmouth, N.S., former lieutenant-governor of Nova Scotia (1931-37).

Martin A. Drew, 74, Chatham, Ont., chairman Ontario Burley Tobacco Marketing Association, a director Ontario Sugar Beet Growers' Association.

Peter M. Duff, St. John's, Nfld., retired former treasurer Newfoundland Railway.

John Gordon Fleming, Toronto, founder Fleming Press.

William Donald Fleming, 59, Toronto, manager Toronto sales division Dominion Textile Co.

Herbert Greenfield, 80, Calgary, former Alberta premier (1921-25), president and managing director Calmont Oils Ltd.

Charles D. Gutelius, 29, Montreal, vice-president Cox & Stevens Aircraft (Canada) Ltd.

Mr. Justice Errol Malcolm William McDougall, 67, Montreal, justice of Court of King's Bench, Appellate division.

John Ernest McMillin, 55, Toronto, elected Progressive-Conservative MP for Toronto-Greenwood June 27, a past president Ontario Property Owners' Association, building contractor (McMillin & Costain).

Donald J. Morrison, 60, Winnipeg, president Western Grain Co.

Major James A. Wood, 61, Ottawa, assistant controller National Parks Service.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GODERICH ELEVATOR & TRANSIT CO. net profit of $82,338 for year ending March 31, 1949, was down 37.6% from the previous year's net of $131,789. Operating revenue decrease was mainly attributable to the reduction of 2,870,000 bus. in grain handled, President G. L. Parsons states.

Grain handled in 1948 totalled 19,581,035 bushels (22,451,304 bushels in 1947). Of the grain handled, 15,061,307 bushels (77%) were used by millers and feedmen and the balance 4,500,988 (23%) went to foreign consumers.

Up to May 14, 1949, the company had received 3,500,000 bushels, as much as it had handled to June 12 last year, Mr. Parsons states.

In addition to replacement of usual wearable equipment, the company completely overhauled its "A" wharf during the past winter.

INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Operating rev.	$378,652	$420,430
Less: Oper. exp.	223,739	192,612
Add: Other inc.	13,426	11,843
Net earnings	168,339	239,651
Less: Depr. & amort.	31,336	30,683
Life ins. prem.	490	680
Inc. tax res.	52,500	82,300
Add: Asset sale	125	5,806
Net profit	82,338	131,789
Less: Dividends	84,006	84,006
Surplus for year	*1,668	47,783

*Deficit.

Earnings per Share and Dividend Record:

	1949	1948
Common	$0.98	$1.57
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at March 31:	1949	1948
Cash & Dom. bds.	$429,446	$481,947
Elev. & stor. chgs.	31,531	47,160
Life ins., c.s.v.	59,216	55,741
Total curr. assets	520,193	584,848
Deferred charges▲	48,659	47,944
Fixed assets*	958,156	858,237
Total assets	1,527,008	1,491,029
Accts. & tax. pay.	105,490	61,842
Total curr. liab.	105,490	61,842
Conting. res.	......	20,000
Capital stock	933,400	933,400
Appraisal surplus	131,181	137,181
Earned surplus	356,937	338,606
*After depr. & w/o	1,035,485	1,008,477
▲Inc. ref. EPT	36,900	36,900
Working capital	414,703	523,006

SHEEP CREEK GOLD MINES realized a consolidated net profit of $502,795 or 27 cents a share the year ended May 31, 1949, including Zincton Mines against an unconsolidated profit of $468,318, including $425,000 Zincton dividends, in the preceding fiscal year.

Ore reserves at the Sheep Creek mine declined from 67,464 tons to 50,578 tons but grade rose from 0.339 to 0.341 oz. At Zincton, reserves dropped from 129,614 tons to 83,122 tons averaging 7% zinc but no indicated ore below 10 level was included in the latest estimate.

Sheep Creek now holds 937,500 shares of Vananda Mines, $25,000 of its debentures and has made the company a $50,000 loan. It is hoped that the operation can be placed on a paying basis.

INCOME ACCOUNT

Years Ended May 31:	†1949	*1948
Production	[illegible]	$460,136
Concentrates	[illegible]	[illegible]
Less: Expenses	[illegible]	[illegible]
Oper. earnings	[illegible]	[illegible]
Add: Sundry rev.	10,603	[illegible]
Zincton divds.	[illegible]	425,000
Est. Cst-Ad.	[illegible]	[illegible]
Less: Depr. & depl.	[illegible]	[illegible]
Outside expl.	[illegible]	[illegible]
Invest. sale loss	[illegible]	[illegible]
Income tax res.	[illegible]	[illegible]
Net profit	[illegible]	[illegible]
Less: Dividends	[illegible]	[illegible]
Surplus for year	[illegible]	[illegible]

▲Consolidated statement incl. Zincton.

*Not consolidating earnings of Zincton Mines which realized a $135,837 profit in 1948.

Earnings per Share	[illegible]	[illegible]
Paid	[illegible]	[illegible]

CONDENSED CONS. BALANCE SHEET

As at May 31:	1949	1948
Cash & bullion	$607,051	[illegible]
Accts. rec.	[illegible]	[illegible]
Mkt. secs. & int.*	[illegible]	[illegible]
Mat. & supplies	[illegible]	[illegible]
Total curr. assets	[illegible]	[illegible]
Ref. EPT	[illegible]	[illegible]
Prep. & def. chgs.	[illegible]	[illegible]
Optioned prop. exp.	[illegible]	[illegible]
Invest.	[illegible]	[illegible]
Roads	[illegible]	[illegible]
Mng. claims	[illegible]	[illegible]
Plant & equip.▲	[illegible]	[illegible]
Total assets	[illegible]	[illegible]
Accts., etc. pay.	[illegible]	[illegible]
Taxes payable	[illegible]	[illegible]
Total curr. liab.	[illegible]	[illegible]
Capital stock	[illegible]	[illegible]
Capital surplus	[illegible]	[illegible]
Earned surplus	[illegible]	[illegible]
▲After depr.	[illegible]	[illegible]
‡After depl.	[illegible]	[illegible]
*Market value	[illegible]	[illegible]
§Incl.	[illegible]	[illegible]
Working capital	[illegible]	[illegible]

OPERATING STATISTICS

	1949	1948
Sheep Creek:		
Tons milled	[illegible]	[illegible]
Average grade	[illegible]	[illegible]
Ore reserves, tons	[illegible]	[illegible]
Grade	[illegible]	[illegible]
Zincton:		
Tons milled	[illegible]	[illegible]
Grade	[illegible]	[illegible]
Ore reserves	[illegible]	[illegible]

†One months' production.

‡Including [illegible].

*Not including 101,822 tons concentrates.

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

CHARTERED ACCOUNTANT, experienced in financial, industrial and institutional accounting, presently engaged with large firm of chartered accountants, desires a position in industry or finance offering opportunity for advancement. [illegible] Box 227, The Financial Post, Toronto.

CHARTERED ACCOUNTANT with Bachelor of Commerce degree presently engaged as public accountant and auditor, [illegible] Box 231, The Financial Post, Toronto.

CORPORATION SECRETARY & ACCOUNTANT with twelve years actual experience in this field [illegible] Box 235, The Financial Post, Toronto.

GRADUATE PHARMACIST, holds license to practice in Saskatchewan and Ontario. [illegible] Box 236, The Financial Post, Toronto.

JOURNALISM honor graduate, versatile, [illegible] Inquiries invited. Smith, 37 Beatrice St., Toronto.

ENGLISHMAN, 35, married, well educated. [illegible] Box 231, The Financial Post, Toronto.

WELL TRAINED young business executive [illegible] Box 239, The Financial Post, Toronto.

POSITION AVAILABLE

A CHAIN STORE organization requires a young man 30 to 40, as assistant to President, and in charge of sales. Prefer a man with merchandising experience. [illegible] Box 228, The Financial Post, Toronto.

AGENCIES WANTED

MANUFACTURERS AGENT covering Province of Quebec [illegible] Canada Cement Building, Montreal.

EXPERIENCED DISTRIBUTOR, new trucks, well financed, [illegible] Box 215, The Financial Post, Toronto.

MANUFACTURERS AGENT covering South Western Ontario, headquarters London [illegible] Box 222, The Financial Post, Toronto.

BUSINESS OPPORTUNITIES

MANUFACTURERS

A LARGE SALES ORGANIZATION, selling direct to the consumer, cash and credit, has branches in the Province of Quebec [illegible] Box 2025, The Financial Post, Montreal.

REAL ESTATE

FOR SALE, clear title, seven room older house in Oak Bay Municipality, [illegible] Victoria, B.C.

Plan More Restrictions On Imports From U. S.

(Continued from page 1)

spring and summer while United States activity declined was highly gratifying in every way, except to the people who have to worry about the maintenance of the reserves. It created the condition which produced the heaviest possible drain on reserves, since Canadians were anxious to import all they could and Americans were not in a buying mood for Canadian or any other goods.

A decline in Canadian business activity, which no one wants or expects, would thus paradoxically help the exchange position by reducing the demand for imports from the U. S. Fortunately there is little sign of such a decline, and there are some signs of a U. S. revival. It is hoped here that as things pick up in the United States there will be increased demand for Canadian goods, and this of itself might be enough to check the drain on Canada's dollar reserve.

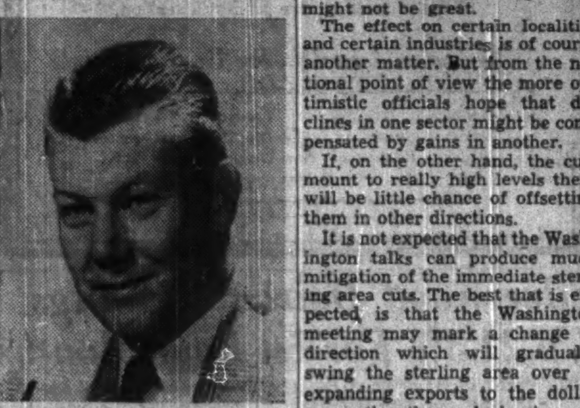
Effect of U. K. Cuts

Against this must be set the whole sterling problem. No one yet knows how drastic will be the effect of the proposed cuts in sterling purchases from the dollar area. If the decline is relatively small, the best hope is that the loss to Canada might be compensated by increased exports to the United States. If that turned out to be so, the effect on the overall national picture, which is what determines the reserve position, might not be great.

The effect on certain localities and certain industries is of course another matter. But from the national point of view the more optimistic officials hope that declines in one sector might be compensated by gains in another.

If, on the other hand, the cuts mount to really high levels there will be little chance of offsetting them in other directions.

It is not expected that the Washington talks can produce much mitigation of the immediate sterling area cuts. The best that is expected is that the Washington meeting may mark a change of direction which will gradually swing the sterling area over to expanding exports to the dollar area rather than reducing imports from dollar countries. But it is possible that if the United Kingdom ministers give real earnest of their determination to make this change of direction the United States on its part will be induced to find means of encouraging imports which might benefit Canada directly as well as indirectly. The U. S. attitude in turn will depend in some degree on the trend of U. S. business, which is therefore the most important single factor whichever way you look at it.



DOMINION RUBBER SALES APPOINTMENT

L. A. Lambe of the Mechanical Goods Division of Dominion Rubber Company Limited, who has been with the Company since 1946 in the head office in Montreal, has been transferred to the Northwestern Quebec and Kirkland Lake-Timmins area, assisting A. A. Reid, well known Dominion Rubber representative in that territory. Mr. Lambe is a mining engineer and prior to his enlistment in the armed forces during the Second World War, worked in the mining areas of Northern Ontario. *

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CARRERAS LTD., LONDON, ENGLAND—150 YEARS' REPUTATION FOR QUALITY

Harding Carpets Consol. Sales Up

Consolidated sales of Harding Carpets Ltd. and its subsidiary, Guelph Yarns Ltd. in the current fiscal year are up slightly, to date, over sales for the same period of the fiscal year ended Oct. 31, 1948, C. Malim Harding, executive vice-president, states.

The carpet company is presently operating at capacity but management anticipates an easing-off in demand. Profits are expected to be approximately the same as last year when earnings totaled $1.75 per common share.

Gas Imports May Feed Big Ontario Area

(Continued from page 1)

ly been staging one of the biggest market performances of the Canadian industrial market in many months. Market price was bid up more than $2 a share within the last week on heavy volume to a top of $15¾ before reacting somewhat at midweek. Turnover on Tuesday alone was over 14,000 shares on the Toronto Stock Exchange.

Although rumors of the big expansion plans of the company may have helped spark the stock advance, other favorable factors have been attracting a steadily increasing number of investors into this stock. With important gas rate increases allowed last fall and expanding supplies of natural gas available to the company, earnings and dividend prospects appear brighter than for several years.

Immediate bullish factors in the company picture are:

1. Restrictions on use of convertible heaters in the company's area, applied as a war measure in 1942, were removed last week. This affected 10,000 domestic consumers in 1942. Presumably a sizeable proportion of these will become gas consumers again.

2. Supply of natural gas from Imperial Oil's Kimball field in southwest Ontario has been increasing; still greater supply is expected now that Imperial has brought in the large Payne No. 1 gas producer three miles from Kimball. This new well is reported to have an open flow of 40 million cu. ft. daily. It would be easy to extend the recently completed Kimball pipeline to this well.

3. Union Gas has been receiving delivery of natural gas for some weeks now from Panhandle Eastern Pipelines Co. of Kansas under a long-term contract for annual shipments of some 5.5 billion cu. ft. of gas. Shipments have been irregular, and export restriction of the Federal Power Commission in Washington remain, but company officials expect increasing supply of gas from this source from now on.

B. C. 'Phone Plans $600,000 Projects On Vanc. 'changes

Projects involving a total expenditure of nearly $600,000 by the B. C. Telephone Co. on new central office and outside plant equipment for Vancouver's Glenburn, Dexter and Kerrisdale offices are either under way or are expected to be started this year.

At Glenburn, where the company will spend approximately $100,000, a $15,000 building extension has been completed, with central office equipment worth $40,000, and cable and poles worth $45,000, on order.

Additional facilities on order for the Dexter exchange will cost the company more than $260,000, including a $32,000 building extension which is expected to be completed by early fall. Central office equipment worth approximately $95,000, and poles and cable worth about $135,000, are on order.

At Kerrisdale, an additional $230,000 will be spent on expanded facilities, including $76,000 for central office equipment and more than $154,000 on outside cable and poles.

Southam Earnings Up 15.8% in Half

Net profit of Southam Co. for six months ended June 30, 1949, subject to year-end audit, amount to $720,516, equal to 96 cents per share, up 15.8% from $622,215, or 83 cents per share for the like 1948 period according to the half-yearly report.

Gross revenue for the first half of 1949 increased substantially to $9,038,064 ($8,207,838 in like 1948 period) but this was partially offset by an increase in operating expenses to $7,620,147 ($6,995,761). Depreciation amounted to $138,076 ($132,062), debenture interest was practically unchanged at $119,325 ($119,800) while provision for taxes increased to $440,000 ($338,000).

The balance of $350,000 owing on the Southam Building, Calgary, which was sold last year, has been paid in full, Philip S. Fisher, president, stated. With this addition to the cash resources, $774,000 of the outstanding debentures have been called and redeemed, reducing the outstanding debt to $4,000,000 at June 30, 1949.

Trade Concessions By All Our Hope at Washington

OTTAWA (Staff) — While a chorus of abuse and bad-temper from some sections of the U. K. and U. S. press, produces the most unfavorable possible public atmosphere for the opening of the Washington talks on the sterling-dollar problem, there is some evidence that the unrestrained mutual recriminations may have the effect of strengthening the determination of the three governments to tackle their problems in a friendly co-operative spirit.

Some sections of Congress and the U. S. press are playing an isolationist, anti-British line which may be new to these post-war days, but, as old-timers recall here, it is merely a revival of sentiments just as freely expressed before and even during the war. There is no unreasonable optimism here about the attitude of Congress, but neither does any responsible official exaggerate the importance of the public outbursts.

It is known that officials of the Truman Administration are at work on possible long-term solutions which are imaginative and far-reaching.

They cannot, in the opinion of Ottawa, produce painless or complete answers: they certainly cannot remove the necessity for drastic action by the British themselves to bring the cost level down. But they may, it is thought, smooth the way for British action and provide some assurance of Washington's continuing support in the painful struggle toward multilateralism and convertibility.

Canada's Position

A redefinition of Canada's position to which great importance is attached in official and diplomatic circles was given by External Affairs Minister Lester B. Pearson barely a week before the Canadian team headed by Norman Robertson was to start its preliminary talks in Washington.

Mr. Pearson, who will represent Canada at the ministerial talks along with Finance Minister Abbott (Mr. Howe may or may not also take part), took the occasion of the opening of the Ottawa Exhibition to underline with great definiteness and even some repetition that the sterling-dollar problem calls for "long, hard and friendly co-operative effort." Canada's interest, he said, was "immediate and substantial."

Mr. Pearson reaffirmed that action was expected of the sterling area. Some restrictive and bilateral deals, he said, might be unavoidable "on a short-range emergency basis"; but "as we see it here, there is no salvation to be found in this approach, which inevitably tends to limit the areas of exchange and subsidize high-cost production."

"Above all," he said again, "as we see it in Canada, emergency restrictive measures which may now have to be taken in sterling countries should not lead to the establishment of practices and policies which will become ends in themselves rather than merely means to an end, that end being the restoration of world trade on a freely convertible basis. If certain trading areas are allowed to become frozen, this may force other areas into following the same negative and restrictive principles. This would be more than stupid."

"Action All Round"

This was a forceful repetition of the views unanimously accepted in official circles here, but what attracted most comment in Mr. Pearson's speech was the emphasis he also put on action "all round." He called on the British to "meet" any new measures taken over here to assist European recovery with measures giving the assurance that any assistance given would be effective.

He warned against the temptation to concentrate on the particular source of trouble outside one's one's jurisdiction, and against seeking a remedy "in action to be taken by someone else."

And he stated flatly that the effort to solve the problem might mean that "immediate concessions will have to be made—all round—for ultimate advantages to all."

As the crucial talks approach, it is noticeable that well-informed comment is paying less and less attention to devaluation of the pound. This is not to say that devaluation may not be an inevitable part of the solution, at some time in the future if not immediately. It is to note a growing recognition that there are many kinds of measures the British must take without which devaluation could not be effective.

It is also noticeable, as opinion crystallizes, that cost of Britain's "welfare state" is getting very much less emphasis than the cost of her trade relations with the rest of the sterling area.

It is the burden of the sterling balances held by India and Pakistan and the effect of bulk purchasing and bilateral trading on the cost of raw materials that is attracting the serious attention rather than the cost of "free false teeth."

Ont. Forests 'On Fire' Again

(Continued from page 1)

He runs about 10 million feet a year.

There are more than 1,000 sawmills in Ontario, but most are small, portable mills cutting in rural areas, mining communities, etc. Only 49 had over 30,000 feet daily capacity.

The decision of Great Lakes Paper to build a small sawmill (25-30M fbm daily capacity) is an aftermath of the birth-pains of the Johnson enterprise.

Conceived in 1939 and pushed into operation to meet the wartime demands for lumber, the Johnson mill had no assured supply of sawlogs. By order-in-council, Sept. 18, 1940, he was given cutting rights on 435 square miles of Abitibi limits. At the same time, Great Lakes Paper was ordered to supply one-third of the requirements of the mill with sawlogs from its limits. A quantity of these logs have been refused by Johnson as "not suitable." Great Lakes is going to build a mill to use these sawlogs.

Adding confusion to the Lakehead scene was the political picture. One meeting which sent a vigorous protest to the "mismanagement" of the forests to the Conservative Ontario Government was called by the "Budworm Infestation Committee of the Fort William Riding Liberal Association." Another public meeting was called by the Unemployment Committee of the Fort William Trades and Labor Council.

Pulpwood operators claim that while the budworm infestation is a problem, it has not reached the magnitude claimed. In 3.5 million acres involved on the west side of Lake Nipigon (where Johnson seeks salvage rights) they claim only 18% of the timber is affected—10% is balsam and 8% spruce. They're the species the budworm goes after. The rest of the timber is relatively good, it is claimed.

And, of course, there is the Toronto Star promoting the uproar. Most days it can find a new stick with which to beat the government that enacted the Charitable Gifts Tax Act.

What does the Ontario Government say?

It can't do anything worthwhile about forest policy, or implement the Kennedy report until it knows what the province's forest resources are.

Now in progress is a gigantic aerial survey which by new photographic techniques provides a remarkably accurate report. That survey is to be completed next year.

Another year will be consumed in compiling the results.

By 1952 we will be ready to tackle the forest problem intelligently, re-examine our policies on allocation of lands and cutting rights.

"Then and only then will we be in position to decide who should cut timber, what they should cut and where," an official told The Post.

Look for It Here

Aug. 27, 1949

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Int. Pap.	5	Timken	12
Loblaw	4	Tip Top Canners	4
McKinnon Inds.	12	Traders Finance	4
Maxwell	7	Weston	4
M. & O. Paper	5		
MINES AND OILS			
Bordulac	16	New Goldvue	5
CPR	8	Nicholson	18
Campbell R. L.	13	N. Inca G.	4
Coniaurum	8	Osisko	7
Hosco G.	16	Paymaster	15
Int. Mining	8	Porc. Reef	19
Int. Pete.	5	Renabie	7
Isle of Pines	18	D. A. Stuart Oil	4
La Luz	19	Upper Can.	19
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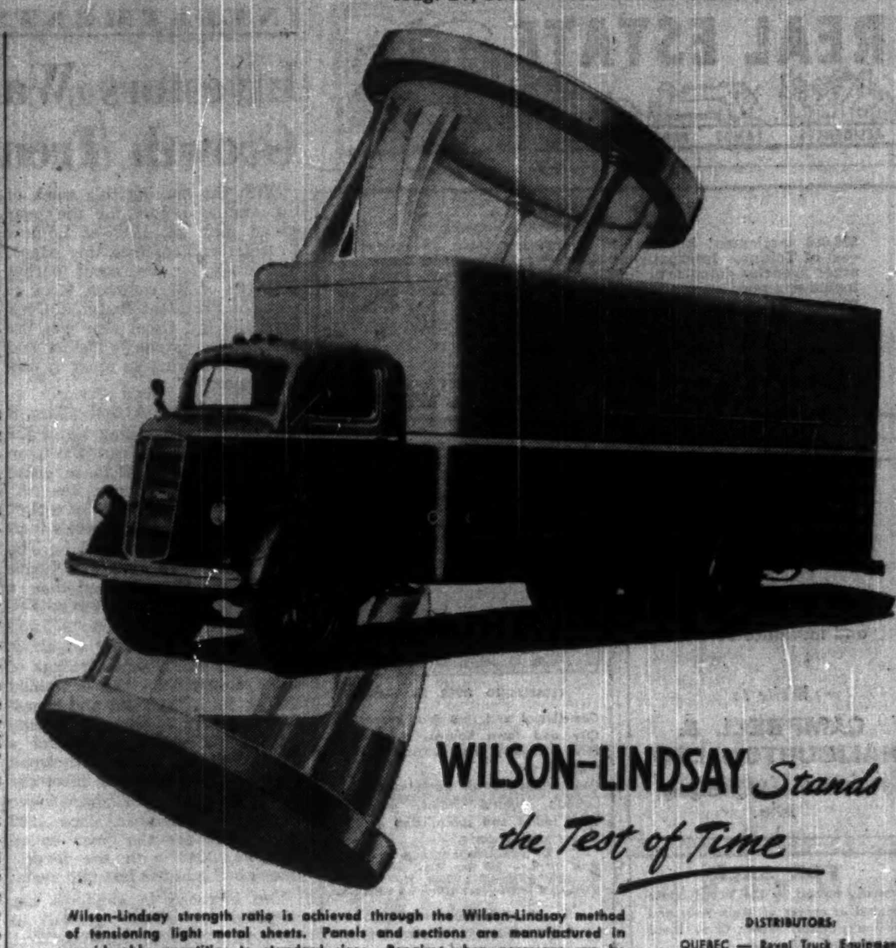

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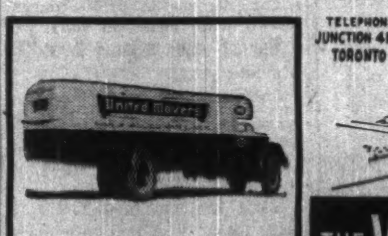

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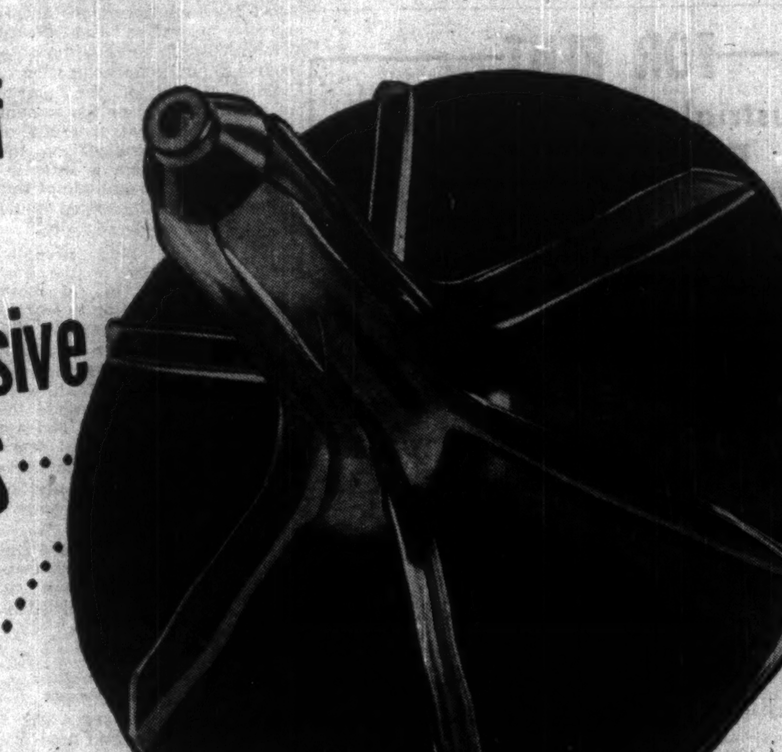

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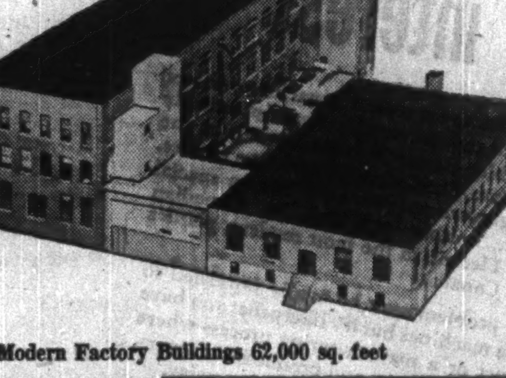

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INVESTMENTS THIS WEEK

Investors Watch Loblaw's, Growth Trend Continues

With the mailing this week of the annual report for the year ended May 28, 1949 of Loblaw Groceterias Ltd. (see this page), one reason for the recent market strength of its common stock is seen. As President Justin M. Cork says, the last fiscal year was the best in the company's history and "one of constructive progress and development."

Loblaw Class A and Class B shares are each selling about $29 a share to yield about 4.31% on the basis of the $1.25 dividend paid in the fiscal year. The "A" stock sold at $27 ½ a share earlier this month and has a year's high of $31 ½ and low of $26 ¾. The "B" stock sold at $28 a share earlier this month and has a year's high of $29 and low of $27.

At current price, the "A" and "B" shares are selling at about 12.9 times last year's earnings of $2.25 a share, on the combined shares. Both the yield and times-earnings basis would indicate that investors are looking for a continuation of the growth trend shown by the company in recent years. Earnings per share have increased each year since 1942 from $1.24 for the year ended May 29, 1943 with the largest jumps being in the last two years.

The increase in earnings has reflected the steady growth in sales to a new all-time peak of $86,968,676 in the last fiscal year, —18.8% over the record of the previous year and more than double the sales of $41,685,809 for the year ending June 3, 1944. Also encouraging to investors is the slight increase in profit margin shown in the past year (2.14c per dollar of sales against 2.06c the previous year).

Loblaw's total assets increased 29% in the last fiscal year to $15,873,984 as against $12,302,056 and are 77% higher than at June 3, 1944 ($8,949,806).

Since the end of the war, a large majority of the stores have been modernized and a number of large super markets have been constructed, either as replacements for older units in proven areas or in key locations where new and additional volume of business justified present high building costs, according to Mr. Cork. In the last year, 11 super markets were put in operation. This brought total stores to 119 from 118 a year before and from 113 at June 3, 1944.

To finance its program, in the last fiscal year Loblaw Groceterias made arrangements to sell a substantial number of its stores to a Canadian insurance company and secured "long term leases at most favorable terms on the respective properties." This allowed the program to go on without recourse to public financing. Shareholders are not told the number of properties sold or the amount realized—only that a profit of $1,652,466 was realized on the sales—so that there is little indication of the magnitude of this program. This information would help them properly assess it.

Working capital was strengthened substantially in the past year as a result of the above transaction, amounting to $4,029,004 at May 28, 1949 against $2,443,318 a year earlier. The cash position was considerably improved. Inventories of $5,277,318 were increased only 3.8% despite the 18.8% increase in sales and are equal to only 6.1% of last year's total sales—less than the average for one month's sales and indicating close control of inventory position.

In view of its past record and of the acquisition of 111,500 class B shares by George Weston Ltd. investors are watching this situation closely.

* * *

Changes in Can. Securities By U. S. Open-end Funds

Among the portfolio changes of United States open-end funds reported this year are the following transactions in Canadian securities:

Bullock Fund sold 1,000 common shares Hudson Bay Mining & Smelting in six months ended April 30.

Dividend Shares purchased 1,000 Consolidated Mining & Smelting common shares in six months ended May 31.

George Putman Fund sold $200,000 C.N.R. 5% internal bonds due 1954 in three months ended June 30.

United Income Fund purchased 8,300 C.P.R. common, 1,000 Hollinger Consolidated Gold Mines common, 10,000 Dome Mines common and 8,000 International Nickel common. It sold 4,500 Hudson Bay Mining & Smelting common in the six months ended June 30.

Fidelity Fund purchased 4,500 shares Abitibi Power & Paper $1.50 preferred and 5,000 common shares of Abitibi Power & Paper in the three months ended March 31.

Investors Mutual purchased 28,500 shares International Nickel common in six months ended March 31.

Diversified Investment Fund purchased 1,800 common shares Hudson Bay Mining & Smelting Co. in six months ended May 31 and sold 1,850 Consolidated Mining & Smelting common.

Fundamental Investors purchased 19,000 common shares International Utilities and 11,000 common shares Shawinigan Water & Power Co. in the three months ended March 31.

Wellington Fund purchased 6,000 common shares International Nickel Co. in six months ended June 30.

Keystone Custodian S-2 Fund sold 5,000 common shares Shawinigan Water & Power Co. and 4,100 McIntyre Porcupine Mines Ltd. shares in the six months ended May 31.

Investment Co. of America purchased 500 shares Aluminium Ltd. in three months ended March 31.

* * *

Fairchild Aircraft Holders To Get About $1.40 a Share

Shareholders of Fairchild Aircraft Ltd. are likely to receive approximately $1.40 per share upon liquidation of the company if the proposed sale of the company's remaining plant at Longueuil for $600,000 is approved at the special general meeting called for Sept. 13, The Financial Post is informed. About 260,000 sq. ft. of floor space is involved in the deal, of which 140,000 is presently under short-term lease to six small concerns.

Liquidation value at June 30 is estimated at $1.57 per share, but company officials point out that liquidation and other expenses would have to be met prior to final distribution. This accounts for the lower estimate of what the shareholders would eventually receive.

Traders Finance Reports Record Business Volume

Volume of business of Traders' Finance Corp. for the seven months ended July 31, 1949 was the best in history and 77% over same period last year. Business is expected to continue at present high rate.

Net earnings for the seven months' period, after taxes, are reported at $851,703, equal after six months' preferred dividends to $3.35 a share on the common stock ($480,195 or $1.74). At the same time earnings of the subsidiary companies are said to have considerably exceeded dividends paid by those companies to the parent company. The dividend on the common stock has been increased from the annual rate of $1 to $1.50 a share.

Company's capital resources appear adequate to handle current and prospective business and, on a conservative basis, now exceed $14 million, it is said.

NORTH INCA GOLD MINES proposes to accept a loan of $35,000 from a Montreal source, loan to be unsecured and to carry 4% interest; in consideration of loan option is granted on 200,000 shares at 20 cents for one year. It suggested loan be for one year with provision for renewal of both loan and option if required. A total of 40,000 shares have been sold on the open market for $9,680.

Weston To Build Edmonton Bakery

From Our Own Correspondent

EDMONTON — Weston Bakeries Ltd., Toronto, subsidiary of George Weston Ltd., R. A. Robertson, president & managing director, has bought city land here at about $20,465 for immediate construction of a new bread bakery.

New plant, one of the region's biggest building projects, will replace and enlarge that of Weston Bakeries subsidiary Edmonton City Baking Ltd., and will operate under the name of Weston Bakeries Ltd.

Monarch Knit. Net Off 74.4%

A net profit of $40,458 for the six months to June 30, 1949, is shown by Monarch Knitting Co. in an unaudited semi-annual report to shareholders. This is only 25.6% of the net profit of $157,862 for the first six months of 1948, and compares with a net of $248,139 for the whole of 1948. The net profit is equivalent to $8.49 a preferred share and to $0.29 a common share. ($32.44 and $1.44 in 1948 six months period).

The operating profit, before depreciation and taxes, but after providing for interest of $24,500 ($25,125) on the funded debt, amounted to $219,458 ($441,286). Depreciation and write-offs amounted to $150,000 ($148,425) and provision for income taxes to $29,000 ($135,000).

In the 1948 annual report directors stated that there was a continuation in that year of unusual economic conditions including factors of non-Canadian competition. These factors continued into the first six months of 1949, K. L. Markon, vice-president and general manager, states.

"Possibly because of these conditions your management notices a decided trend to the return of seasonal buying by our customers, and it is a fact that normally the late summer and early fall is the major merchandising period," Mr. Markon states.

Expenditures of about $150,000 were made during the six months for additions to fixed assets, continuing the modernization program. Some additional equipment was on order as at June 30 to be received subsequent to that date.

Capital changes consisted of the redemption of 65 preferred shares purchased through sinkinging fund provisions and the reduction of $60,000 in serial debentures which matured on April 1.

The balance sheet shows current assets at $3,073,717 of which $2,438,715 was in inventories; current liabilities at $1,229,834, which left working capital of $1,843,883 as against $1,957,961 at Dec. 31, 1948, and of $1,743,063 at June 30, 1948.

Will Quebec Govt. Resell Pulp Assets?

MONTREAL (Staff)—Acquisition of assets of Quebec Pulp & Paper Corp. by the Quebec government for $1.5 millions, announced by Premier Maurice Duplessis last week, brought to a close years of unsuccessful negotiations to dispose of the company since it went into bankruptcy in 1942.

Under terms of the sale, holders of the 70,000 preferred shares are to receive $23 a share. In addition to its physical assets, the company is said to hold close to a million dollars in more or less liquid assets.

Assets include a total of 666 square miles of freehold timber limits, 131 square miles of forest concessions, two waterpower sites with a potential capacity of 17,000-18,000 hp., as well as houses and transmission lines.

Whether the provincial government may still attempt to sell the property or not is not known. In his announcement, Premier Duplessis merely said that the property would be employed primarily for the advantage of the Chicoutimi region where the company's closed mill is located.

"Settle" Streams Claim?

Provision that the preferred shareholders would receive a fixed sum — $23 a share — eliminated prospects of further discussions as to what settlement would be made on a $2.5 million claim by the Quebec Streams Commission. If total assets are valued at $2.5 millions, it would appear that the streams commission may receive about $850,000 on its claim.

No financial details on the company were released in the announcement.

Several deals had been negotiated in the past between the government and interested parties, but none materialized. Latest offer by a group known as the Chicoutimi syndicate, finally fell through in 1948 when the syndicate withdrew its offer of $1,550,000. Finally, in March this year, the government passed a bill to acquire the assets of the bankrupt company for $1.5 millions, the amount fixed by a Superior Court judgment.

Shawinigan Sells Some Lines to Hydro

MONTREAL (Staff)—Shawinigan Water & Power Co. has been authorized by the provincial electricity board to sell to Quebec Hydro for $115,000 its distribution facilities in the countries of Chambly and Laprairie. The sale was arranged in order to simplify operation and supply problems and to rearrange territorial boundaries between Shawinigan and Quebec Hydro in that area.

The property affected consists of distribution systems in the town of Jacques Cartier and in the area known as Brosseau Park in the municipality of Laprairie.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

D. A. STUART OIL CO. net profit for the year ended May 31, 1949, was up narrowly at $95,355 ($92,059). As a result of wide selling price and material cost fluctuations, and certain instabilities in industry generally, it is difficult to appraise the progress made by the company during the year, the annual report states.

Much careful study has been given to technical problems and to increased efficiencies in distribution and sales. The company's appeal to the Tax Court of the United States on the claim for refunds under the Renegotiation Acts is still pending. A substantial payment was made out of reserves of which the remainder is being carried forward pending final settlement.

INCOME ACCOUNT

Years Ended May 31:	1949	1948
Net earn. after depr.	$160,968	$152,828
Less: Inc. tax res.	63,000	51,000
Int. on reneg. cl.	2,613	9,769
Net profit	95,355	92,059
Less: Pref. divds.	49,815	50,743
Common divds.	36,000	36,000
Surplus for year	9,540	5,316
Earnings per Share and Dividend Record:		
Preferred‡	$2.84	$2.56
Preferred†	1.59	1.49
Paid	0.80+0.60	0.80+0.60
Common‡	2.28	2.11
Common†	1.39	1.29
Paid	0.60+0.60	0.60+0.60

‡Before participation. †After participation.

CONDENSED BALANCE SHEET

	1949	1948
Cash	$307,659	$395,326
Accts. rec., etc.	104,733	188,052
Inventories	257,142	272,848
Total curr. assets	669,534	856,226
Prep. exp., etc.‡	12,403	11,400
Misc. assets	16,155	14,893
Fixed assets*	182,610	183,585
Patents, etc.	102,164	102,164
Total assets	982,866	1,168,268
Accts. & tax. pay.	133,011	158,579
Dividends pay.°	24,722	25,182
Total curr. liab.	157,733	183,761
Res. for containers	71,803	71,598
Res. for renegotiation	19,689	149,967
Capital stock	361,598	384,598
Surplus	372,043	378,344
*After depr. of	104,548	95,248
‡Incl. in curr. assets in co's report.		
°Canadian funds.		
Working capital	511,801	672,465

FAIRCHILD AIRCRAFT LTD. and its subsidiary, Fairchild Industries Ltd. shows a net profit of $7,605 for the year ended June 30, 1949. Company's activity, in the year, was restricted to the leasing of such portions of its plant for which tenants could be obtained on short-term leases. The subsidiary did not operate.

Directors have accepted an offer from Leyland Motors (Canada) Ltd. to purchase for $600,000 the company's building and land. Of the price, $473,000 will be in cash and the balance by assumption of existing hypothec in favor of Crown. Shareholders will be asked to approve the sale at a special meeting in conjunction with the annual meeting on September 13.

Current liabilities totaled $234,157 at June 30. It is clear that the company would not expect its creditors to wait for payment of their accounts until such time as the net profits from leases permitted, the only source of funds except through sale of its property, President H. M. Passmore states in explaining continuation of efforts to sell the property.

CONS. INCOME ACCOUNT

Years Ended June 30:	1949	1948
Operating loss	$16,155	$323,987
Add: Mtge. int.	4,453	6,344
Bank int.	4,097	5,982
Net loss	▲7,605	336,313
▲Profit.		
Earnings per Share and Dividend Record:		
Common	$0.06	d$2.63
None paid.		

CONDENSED CONS. BALANCE SHEET

As at June 30:	1949	1948
Cash	$1,820	$12,406
Accts., etc., rec.	15,236	32,549
Inventories	5,650	8,000
Total curr. assets	22,706	52,855
Misc. assets	2,976	3,462
Fixed assets*	387,424	367,824
Deficit	629,051	610,082
Total assets	1,062,157	1,034,223
Bank loan	88,643	99,207
Accts., tax, etc., p.	145,514	167,416
Total curr. liab.	234,157	266,623
Res. re claims	35,000	
Deferred liab.		1,700
Mortgage	114,000	127,000
Capital stock	639,000	639,000
*After depr. of	326,145	329,143
▲Incl. ref. EPT.		
Working capital	‡211,451	‡213,668

‡Excess of curr. liabs. over curr. assets.

LOBLAW GROCETERIAS CO. net profit for the year ended May 28, 1949 was up 23.3%. For the fifth consecutive year, sales reached a new peak at $86,968,676—up 18.8% from previous year.

During the year 11 super markets were placed in operation. The building located immediately opposite the company's main building on Fleet St., Toronto, and originally built for Crosse & Blackwall, Ltd., has been recently purchased. It is proposed to transfer head offices to this building and to use balance of building for some manufacturing operations.

Arrangements were made for sale of a substantial number of company stores, to one of Canada's largest insurance companies, and for securing long term leases at most favorable terms on these properties. The policy of renting rather than owning a store permits the leasing of highly desirable store outlets, and allows modernization and expansion program to proceed without recourse to public financing, it is said. A profit of $1,652,466 was realized on sale of land and buildings during the year. This has been taken into earned surplus. Against this profit a real estate carrying charge reserve of $1,498,687 has been set up, which represents excess of sale price over depreciated cost of the land and buildings sold. It is the present intention to amortize this reserve over the term of the leases.

Each $100 of company sales during the year was distributed as follows: $83.45 paid for merchandise, $9.24 paid to employees, $2.14 for profit ($1.19 paid to shareholders, and 95c left in business), $1.99 paid for miscellaneous expenses, $1.83 for occupational expenses and $1.35 paid for government taxes.

Prospects for the next fiscal year are favorable, despite the return of highly competitive conditions in the retail food industry, President Justin M. Cork states.

At May 28, 1949 the company was owned by 8,505 shareholders, an increase from 8,435 at May 29, 1948.

INCOME ACCOUNT

	May 28 1949 $	May 29 1948 $
Gross sales	86,968,676	73,172,023
Net earnings	3,730,305	2,943,868
Less: Depr.	506,652	333,518
Inc. tax res.	1,180,000	980,000
Empl. pens. payt.	172,331	131,079
Net profit	1,861,323	1,509,671
Less: A & B div.	1,035,445	1,138,986
Surplus for year	825,777	370,681
Earnings per Share and Dividend Record:		
Class A & B	$2.25	$1.82
Paid	1.00+0.25	1.00+0.371

CONDENSED BALANCE SHEET

As at:	May 28 1949	May 29 1948
Cash & govt. bds.	$3,078,027	$853,058
Accts., etc., rec.	668,753	392,530
Inventories	5,277,318	5,081,639
Total curr. assets	9,024,098	6,327,227
Misc. assets‡	225,839	294,649
Fixed assets*	6,624,047	5,680,180
Total assets	15,873,984	12,302,056
Divd. pay.	310,634	414,178
Accts. pay.	3,947,539	3,019,339
Inc. tax res.	736,921	450,392
Total curr. liab.	4,995,094	3,883,909
Real estate res.	1,498,687	....
Deferred liab.	332,500	350,000
Contingent res.	400,000	400,000
Capital stock	2,654,422	2,654,422
Surplus	†5,993,281	5,013,725
‡Incl. ref. EPT	34,903	32,455
*After deprec. of	3,606,266	4,132,108
†After adding $1,652,466 profit on sale of land and bldgs. and deducting $1,498,687 real estate carrying charge reserve.		
Working capital	4,029,004	2,443,318

TIP-TOP CANNERS LTD., Greensville, Ont., had a net loss of $25,362 for the year ended April 30, 1949 (net profit of $46,357 in previous year). Sales show a marked increase and were a record high, but loss was due to the heavy volume of sales in competitive lines (peas and tomato products) which were being sold at less than production cost, President W. B. Hyslop states.

Due to heavy production, particularly in peas and tomato products, inventory shows a substantial increase. Indications are that this will be corrected during the present year, Mr. Hyslop states.

INCOME ACCOUNT

Years Ended Apr. 30:	1949	1948
Net earnings	$2,264	$107,123
Less: Deprec.	27,066	23,017
Income taxes	560	37,749
Net profit	▲25,362	46,357
Less: Cl. A divds.	11,683	11,683
Surplus for year	▲37,045	34,674
▲Net loss or deficit.		
Earnings per Share and Dividend Record:		
Cl. A: Bef. part.	d$1.09	$1.98
After part.	....	1.09
Paid	0.50	0.80
Cl. B: Bef. part.	d1.59	1.48
After part.	....	0.89
None paid.		

*Based on new capitalization, allowing full year's cl. A divds.

CONDENSED BALANCE SHEET

As at Apr. 30:	1949	1948
Cash & Dom. bds.	$19,918	$16,023
Accts. rec.	110,752	80,437
Insur. dep.	9,272	8,161
Inventories	337,734	270,282
Total curr. assets	477,777	358,803
Misc. assets▲	55,516	61,180
Fixed assets	506,940	480,708
Total assets	1,040,233	877,749
Due bank	276,750	121,750
Accts., etc., pay.	123,255	93,068
Taxes pay.	274	23,165
Total curr. liabs.	400,279	238,083
Reserves: Deprec.	320,202	293,186
Bad debts	5,057	3,863
Divds.	11,683	11,683
Capital stock	116,830	116,830
Capital surplus	3,791	3,791
Earned surplus	182,361	207,593
▲Incl. ref. EPT	19,206	33,762
Working capital	77,498	117,000

10% Higher than Last Year

Total department store sales in Canada during the first half of this year are reported 10% higher than last year.

Simpsons, Limited nation-wide department store and mail order organization earnings in 1948 were the highest on record.

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Limited

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Ottawa Hamilton London, Ont. Kitchener
Regina Edmonton New Westminster Victoria
New York Halifax London, Eng.

Silverwood Dairies Earnings Up 21.3% For 1st Four Months

Net profit of Silverwood Dairies, Ltd. for the four months period ended July 31, 1949 was $474,296 ($391,163 in like 1948 period and $409,592 in like 1947 period), Chairman of the Board A. E. Silverwood advises shareholders in a progress letter.

Sales totaled $11,510,136 in the same period ($10,958,944 and $9,883,945). Net profit as a percentage of sales was 4.12% (3.57% and 4.14%).

The shrinkage in creamery butter earnings which cost the company a substantial amount occurred later in the fiscal year, Mr. Silverwood states. "There is nothing in prospect that suggests any corresponding shrinkage in the company's earnings as evidenced by the results shown above."

Working capital amounted to $2,106,191 on July 31, 1949 as compared with $1,819,570 at March 31, 1949, an increase of $286,621 after payment of regular quarterly dividends on the Class A and Western preferred stocks on July 2.

The $3 million capital expenditure program of the past three years is now completed and capital expenditures are back to a normal basis, Mr. Silverwood states. Plants are all in splendid shape to take full advantage of constantly increasing business, he adds.

In a covering letter, Mr. Silverwood explained that shareholders are being given at this time an up-to-date statement on the company's progress because reports have reached head office of shareholders being advised to sell their stock "as dividends might be discontinued, etc. etc."

"Never in the company's long history has the outlook been as attractive as it is at the present time, and we at head office feel that your interests should be protected by giving you this information on the company's progress," Mr. Silverwood states.

"Our company is today in the best financial position in its history, and we predict a steady and continued growth," he adds.

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Lower St. Lawrence Sells $650,000 Bonds

MONTREAL (Staff) — Lower St. Lawrence Power Co. has sold $650,000 of its authorized $1 million issue of 3¾% first mortgage sinking fund bonds, series D, according to the company. The bonds were placed privately with financial institutions.

The series D bonds are dated July 1, 1949 and mature March 1, 1965. Price was 97.15. Proceeds are to reimburse the company for capital expenditures already made and still to be incurred in 1949 and 1950.

BULL MARKET Ready To Go?

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Able and experienced executive seeks position of responsibility. Efficient administrator, accustomed to controlling large staff; with wide experience in dealing with labour problems, negotiations with Government departments and officials, legal matters, etc. Thoroughly competent accountant with ability to analyse financial statements, to prepare budgets, and to supervise costs and production. Last seven years in executive capacity, responsible only to President and Board of Directors. Willing to locate anywhere in Canada. Available for interview now.

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112 foot twin screw motor yacht completely equipped and furnished and in commission. Equipment includes electric refrigeration and deep freeze. Hot water heating and hot and cold running water. Large galley with Aga cooker. Electric lighting plant. Broadloom carpets throughout. Intercommunication and ship to shore telephone, power tender. Mahogany superstructure and trim.

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Manufacturing business established 8 years ready for further expansion. Contracts for 1950 should double present annual volume of approximately $200,000.

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Would consider an underwriting agreement for working capital of $100,000.

BOX 221, THE FINANCIAL POST, TORONTO

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If you are engaged on the problem of making the most practical disposition of your estate, the Toronto General Trusts offers you a consultative service based on a broad experience with estates and trusts. This service comprises a careful review of your assets including your business considered in relation to the rest of the estate and an estimate of the probable amount of your Succession Duties. Based on this analysis our Officers can help you to set up a plan which will accomplish your wishes for your beneficiaries in a practical and economical way. We invite your inquiries.

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FP-78

MANAGED INVESTMENT

Int. Paper, McIntyre Porc. Sold For MacNab Account

In line with MacNab Fund control plan, MacNab's manager sells account's holdings in International Paper and McIntyre Porcupine Mines. Because of the prolonged market advance it is the intention to sell more stocks over the next few weeks. The account has now reached its highest valuation since being taken over in December, 1944, with a book value capital gain of 69.5%.

Sold		Sale Price
15	Int. Paper	$57
10	McIntyre-Porcupine	$64½

MacNab's Manager Says:

Since my monthly report I have sold your interest in International Paper and McIntyre Porcupine. These transactions took place on Aug. 16.

As the Dow-Jones industrial averages have shown an uninterrupted advance from 161.60 June 13 to 178.97 August 15, a period of about two months, I am not making any further purchases at this time. On the contrary, following my control plan, I have in mind selling some stocks on a scale during the next few weeks.

Your account now shows an all-time high valuation since the account was commenced with you on Dec. 15, 1944, starting with the sum of $10,000. Valuation as at Aug. 15 is $16,953.58, or a capital gain of 69.5% in 56 months. Your annual income at current dividend rates is $865.65 or a yield of 8.65% on your original investment.

At present, your account is invested as follows:

Cash and bonds	$4,138.59	24.4%
Pref. stocks	830.00	4.9%
Common stocks	11,984.99	70.7%
	$16,953.58	100.0%

On a comparative basis with the Toronto Stock Exchange industrial index and in view of the fact that your account is invested entirely in Canadian securities, the following valuations compare with the indices for the period June 15 to July 15 and August 15, respectively:

Account Value	T.S.E. Index
$16,953.58	Aug. 15 . . 176.57
16,361.64	July 15 . . 169.45
15,408.00	June 15 . . 158.48

In the period between June 15 and July 15, your account showed a capital gain of 6% as against a gain of 7% in the index; for the period from July 15 to Aug. 15, your account showed a capital gain of 3.8% compared with a gain of 4.2% in the TSE industrial index.

During the two month period, a total capital gain of 9.8% was shown in your account against a gain in the TSE industrial index of 11.2%. This, of course, can work the other way in a falling market for stocks, as about 25% of your account is invested in cash and bonds. This reserve will vary from time to time and act as a hedge against a rising or falling stock market. As the averages gain in value, under my control plan, you will be sold out of stocks and into bonds, until theoretically at the top of the market you should be 100% in bonds. It is obvious that the human element will enter into my calculations of where the top (or bottom) of the market may be and you must allow for a margin of error in this formula, which, like all formulas, can be upset by the unpredictable action of the stock market.

No dividends were received during the month and after a monthly withdrawal of $40 for personal expenses, cash position stood at $138.59.

The MacNab Account Now Stands

No. of Shares	Security	Cost per sh. $	*Market per sh. $
	Common Stocks		
20	Aluminium Ltd.	51	51½
25	Bell Telephone	41⅝	42½
10	Can. Westinghouse	55	54
50	Can. Canners	17⅛	17¼
75	CPR	15¼	15½
30	Famous Players	14½	14¼
50	Hollinger	11	10¼
50	Imperial Oil	17¼	18½
25	Int. Nickel	34¾	33
15	Inter. Paper	49⅝	56½
10	McIntyre	55	64½
20	Noranda	49	58
15	Powell River	37	38⅝
25	Shawinigan	23½	23⅝
30	Sick's Breweries	15¾	18
	Preferred Stocks		
10	Steel of Canada	86	83
	Bonds		
1,000	Can. Sav. 2¾/56	100.00	100.00
$2,000	Can. Sav. 2¾/57	100.00	100.00
$1,000	Can. Sav. 2¾/58	100.00	100.00
	Cash		$138.58
	Current market value of fund		$16,953.58
	Average yield on original $10,000		8.65%

*As at Aug. 15.

N.B.—Above list does not reflect sale of Int. Paper and McIntyre-Porcupine shares made on Aug. 16.

C. J. KJORLIEN

appointed general sales manager, W. A. Sheaffer Pen Co. of Canada, Malton, Ont.

Sangamo Co. Sales Hold Near Peak

Sales of Sangamo Co. in the first six months of the year were down less than 2% from the first half of last year when sales established a new high record. Some buyer resistance was felt in the first part of the current year but business picked up noticeably in the second quarter.

Net profit in the 1949 period is down somewhat due to increased labor and material costs. Backlog of orders on hand, while still heavy, is lower than a year ago, D. C. Patton, vice-president, states. Consumers are not ordering as far in advance now.

The company continues to export substantially to Mexico and Central and South America and receipts in U. S. dollars in the current year have been more than sufficient to finance imports of all necessary materials and parts needed. The plant is operating almost to capacity, with some operations on two eight-hour shifts a day.

See Improvem't In Operations Of Atlas Steels

Business of Atlas Steels Ltd., Welland, Ont. for the first three months of 1949 was better than the same period in 1948 and the earnings were also better, President R. H. Davis tells The Financial Post.

But, commencing with April, business fell off drastically, principally because of shortage of dollars in the export market, where this condition still exists, Mr. Davis states.

Canadian domestic business has held up fairly well but during the holiday months a slowing up has been experienced. At present there is evidence of improving domestic business, Mr. Davis says.

Earnings since the first three months have not been satisfactory which has made necessary a revision of the Atlas organization to meet the new conditions, Mr. Davis states. The plant was shut down for most of July for the annual holidays and for repairs.

Operations are now increasing on an improved economical basis, Mr. Davis states. Some 1,100-1,200 men are employed now as against 1,700-1,800 at the beginning of this year.

The company's financial position is highly liquid and, while future dividend declaration must depend on earnings, the outlook is not unduly pessimistic, he adds.

Warehouses have been purchased in Winnipeg and Vancouver and Atlas Steels is now getting them ready for operation by the first of next year.

Inter. Pete Net Down For Half

Unaudited earnings of International Petroleum Co. for the first six months of 1949 were approximately $4,900,000 or 34c a common share, being 17% below the average for the full year 1948, President L. P. Maier announces. In 1948 the company had a net profit of $11,810,470, equivalent to 81c a common share.

The decline in earnings primarily was due to a weakening of heavy crude oil prices, Mr. Maier states. Gross crude production averaged 108,500 barrels per day as compared with a daily average of 105,200 barrels for 1948, in the early part of which production declined due to a labor strike in Colombia.

Earnings for the second half of 1949 will depend mainly on the trend of crude oil prices and demands.

The availability of the 1949 earnings in the form of dollars depends upon the result of current exchange negotiations in Colombia and particularly in Peru, Mr. Maier states.

$346,000 Deficit in 1949 If Rates Not Up—N. B. Tel.

MONTREAL (Staff) — Public hearing before the New Brunswick Board of Public Utilities in Saint John, N.B., on New Brunswick Telephone Co.'s application for a new schedule of rates and regulations has been adjourned until Sept. 14.

Postponement was made to allow groups opposing the application to study further a report on the company prepared by Peat, Marwick, Mitchell & Co., chartered accountants of Montreal. This report was used in the hearings last week as a basis for the telephone company's request for higher rates. Contesting the application are Boards of Trade of Saint John, Moncton, Bathurst and other centres as well as various other interested organizations.

Deficits of $346,000 in 1949, $495,000 in 1950 and $619,000 in 1951 are forecast if rates for telephone service are not increased, company contended at the hearings. Taking into account income taxes at 38%, company estimated that additional revenue of $558,000 in 1949, $798,000 in 1950 and $998,000 in 1951, would be required to overcome the forecast deficits in those years. In 1948, after payment of $477,414 in common dividends, surplus for the year was $11,612.

$10 million for Improvements

Company counsel A. N. Carter, K.C., stated that despite installation of 15,545 new telephones from Dec. 1, 1945 to Dec. 1, 1948, there were still more than 6,500 applications for new service and 2,000 requiring improved service. Company planned to make these installations and improvements over the next three years at a cost of approximately $10 millions, or more than $3 millions annually. Unless company was able to meet its dividend and interest requirements, it could not obtain the necessary capital for this program in competition with industrial and other public utility investment offerings, Mr. Carter pointed out.

Mr. Carter held that the financial position of the company was almost as bad as at the depth of the depression in 1932 and was below that of the 1936-39 period. After allowing for increased costs, estimated rate of earnings for 1949 was 3.759% of the net assets used and useful to the undertaking. He quoted the accountant's report which called this rate of earnings "inadequate, being barely sufficient to meet the interest rate payable on debentures."

Question Financing

Evidence presented in the three days' hearings held so far has consisted largely of questioning of company officials on various phases of the company's operations and financial history.

In cross-examination, M. Gerald Teed, counsel for the Saint John Board of Trade, suggested that company practice of issuing common stock to shareholders to raise funds for expansion was more costly than issues of bonds or preferred stock. Company witnesses contended that debts should be incurred only in times of emergency, such as the present one when large capital sums are needed, and that it was sound business practice and necessary to marketability of securities to follow such a policy.

Opposition counsel also questioned company's policies regarding purchase of equipment and the upward adjustment of $403,636 in its depreciation reserve for income tax purposes.

Other points brought out in the hearings so far:

—Company stands to lose $50,000 monthly if the proposed rates do not go into effect Nov. 1, according to company counsel.

—Resident rural rates are to have a "substantial increase" under the proposed schedule because they are said to have been out of line in comparison with other rates.

—Higher night rates are also planned. Company says special low rates after 6 p.m. originally planned to develop greater amount of business and make better use of facilities at night on toll lines between 7 and 9 p.m. greater than at any other time during the day. Service is being impaired by this overload of calls and company proposes "heavy" rate increase to reduce these night calls.

M. & O. Paper Co. Modernizes Mach. At Fort Frances

Modernization of No. 6 paper machine in the Fort Frances plant of Ontario-Minnesota Pulp & Paper Co., wholly owned subsidiary of Minnesota & Ontario Paper Co., has been completed, C. Larson, vice-president in charge of production, announces.

Modernization of this machine will make possible speed ranges of 200 to 1,000 feet per minute, Mr. Larson said. "This will result in more economical operation while producing a higher quality and more diversified line of paper."

Commencing at the wet end of the paper machine, the Bird screens were raised and a new head box installed. The table roll portion of the Fourdrinier was replaced by a removable section. This latter installation will make wire changes easier and faster and thus reduce the "down" time of the machine.

A new shake was also installed as well as a new suction first press and a new three-roll reversing suction second press. The third press has been eliminated and replaced by a new smoothing press.

To allow for anticipated higher speeds, six new dryer cylinders have been added to the dryer section.

At the dry end of the machine a new Pope-type reel was installed, as well as a new high-speed Cameron winder equipped with an electric regenerative tension drive. The winder, equipped with a Bagley Sewell roll unloader, is capable of speeds up to 3,000 feet per minute.

Replacing the reciprocating engines, which were installed 35 years ago, is a modern and completely automatic push-button controlled electric drive.

27% Sales Boost For Shirriff's

In the first six months of 1949, sales of Shirriff's Ltd. increased by 27% over the corresponding period of 1948. Prospects for the last six months appear favorable, President F. W. Shirriff states.

Although prices of company's products have been reduced, profits have improved due to the additional sales volume and lowered factory costs. The lowered costs have resulted from completion of the building and equipment extension program as well as increased production.

Net profit in 1948 was $127,046, up 11.8% from the previous year and sales totalled $3,392,487.

NEW GOLDVUE MINES reports 50,000 shares of July 30 installment of 200,000 shares at 20 cents a share have been taken up and balance of installment has been extended until Sept. 15 with a corresponding extension of all subsequent installments. Issued capital is 1,250,000 shares.

Montreal Short Position Down

MONTREAL (Staff)— Montreal Stock Exchange report shows position of 19,899 shares of 45 issues as at Aug. 15 compared with 20,685 shares of 46 issues on July 29. Chief changes are:

Stock	Shares	Stock	Shares
Abitibi	—400	Inter. Paper	+835
Cons. Smelt.	+725	Shawinigan	—250
How. Smith	—275		

Short position on Montreal Curb Market consisted of 94,020 shares of 21 issues on Aug. 15 against 124,845 shares, 25 issues, July 29. Chief changes are:

Stock	Shares	Stock	Shares
Anglo-C Oil	—1,000	Normetal	—1,000
Anacon	—1,000	Sherritt G.	—1,100
Duvay	—13,200	Un. Asbes.	—12,000
Gaspe	—1,000		

R. L. Crain Profit Up 3.7% in Half

Estimated net profit of R. L. Crain Ltd., Ottawa, for the first six months of 1949 amounted to $58,624 or 65.1c a common share, up 3.7% from $56,546 or 62.8c a common share for the similar 1948 period. In view of the increased cost of operations, the net result for the first half year is considered satisfactory Rolla L. Crain, president and chairman of the board, advises shareholders.

The outlook for the balance of this year should be an improvement over the second half of 1948, Mr. Crain states. "While our market is becoming more competitive our organization is well equipped and prepared to maintain its position in the trade." (In the whole year 1948 net profit was $52,813 or 59c a common share).

Interim unaudited comparative sheets as at June 30, 1949 and 1948 shown in the report indicate the company's financial position has strengthened. Working capital amounts to $477,318 as against $462,213. Inventories have been reduced even though the pace of manufacturing operations has increased ($363,170 vs. $407,641). Serial bank notes amount to $150,000 against $225,000.

INCOME ACCOUNT

Six Mos. to June 30:	1949	1948
Net earnings	$165,833	$165,012
Less: Deprec. & amort.	58,912	57,736
Loan int. & disc.	13,048	17,521
Income taxes	35,250	33,209
Estimated net profit	58,624	56,546

Americans Living in Canada Seek Relief on Income Taxes

United States tax officials are in Ottawa this week trying to get relief from Canadian income taxes for U. S. citizens, living in Canada, especially in the armed services, it is understood.

Under the Canada-U. S. Reciprocal Tax Convention, a U. S. citizen must pay Canadian income tax (1) if he is in Canada for more than 183 days in the taxation year, or (2) if he is in Canada for less than 183 days but during the taxation year receives over $5,000 for "labor or personal services performed as an employee of or under contract with a resident or corporation or other entity" of the United States.

But under the Tax Convention also, U. S. citizens living in Canada and deriving income from the U. S. for services rendered or under contract are allowed to deduct from Canadian income tax any tax paid to the U. S. Government.

In most cases the Canadian income tax is higher than the U. S. tax on the same income so the U. S. citizen, resident in Canada, has to make up the difference. It is to this the U. S. tax authorities are objecting. They claim U. S. citizens should not pay tax to Canada on income derived from the U. S.

The matter was brought to a head by the entry of Newfoundland into Canada which made Americans, in defense bases there, subject to Canadian income taxes.

As the tax agreement is a reciprocal affair, it is likely that if the Canadian Government makes any concession to U. S. citizens resident in Canada, the U. S. Government will make similar concessions to Canadians resident in the United States.

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CITY OF QUEBEC

PUBLIC NOTICE

The City Treasurer will receive up to 12 A.M. (noon) (daylight saving time) August 30th 1949, sealed tenders for the purchase of an issue of bonds amounting to $3,826,700.00, dated September 1st 1949, redeemable serially within a period of fifteen years, as per by-laws nos. 747 and 748 of the City.

For further information and tender forms, please communicate with the undersigned.

C. R. FONTAINE, C. A.,
City Treasurer

Dated Quebec, August 15th 1949.

British patentee desires to license or sell Canadian Patented numbered 436,159, dated July 30th, 1946 re Improvement in Adjustable Seats for Motor Vehicles and the Like. For further information write Ernest E. Carver, 789 West Pender Street, Vancouver, B.C.

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The Editorial Page

No Time For Plunging

New housing proposals are expected to be placed before the forthcoming Parliament following Reconstruction Minister Winters' talks with some of the provincial authorities, including Ontario's Premier Frost. If past performance offers any clue, these will almost certainly involve very large new sums of taxpayer money, and they will depend more on subsidy than on new construction methods for bringing the price down for buyer or tenant.

Parliament would do well to scan these proposals most closely, to make very sure that they are not wasting their time and public funds on a problem that is almost if not already solved.

Scant attention need be paid those who are continually prattling about our substandard housing and who sound as if they would raze practically every building in sight and replace with something for the next generation of planners to condemn.

Whether or not a house is a "slum", does not depend on the up-to-dateness of its bathroom, nor the gleam of its kitchen. Much more depends on the kind of a family that lives in it and what they do with their house. Probably 75% of the people of this country were born and raised in houses which some social planners would class as substandard.

It is true that in most parts of Canada housing is still far from plentiful and reasonably priced. But the situation now certainly cannot be considered acute, except for a few limited areas. Most reports today, indicate that the peak in demand and prices has been passed, that older and less desirable properties are beginning to decline.

It may take a few more months for the law of supply and demand to assert itself, but at the present rate of building, the days of the sellers market are limited. This does not mean that we are about to witness an early return to pre-war prices and pre-war bargains. Neither in houses nor a lot of other things does that seem very possible. But better values are certainly in prospect.

Under the circumstances it is elementary wisdom that our legislatures approach this whole matter with deepest caution. This is not the time to plunge lavishly nor extravagantly.

Who Says Repudiate Now?

To those who remember the bitter war debts controversy of 25 years ago some of the advice Washington has been offering the United Kingdom recently must sound rather strange.

John Bull, say these Washington advisers, must be realistic about the huge sums of money owing India and Pakistan for military supplies and operations in those areas as a result of the recent war. Britain, it is declared, can't possibly pay these debts, which run into the billions. She should tell her creditors bluntly that she is bankrupt and close the accounts.

Perhaps Britain may have to adopt that bitter course just as she was finally forced to do about similar debts owing the U. S. after the first Great War. But it is rather surprising to hear the very people who shouted so loudly about repudiation back in the twenties, now advocating that same solution.

For an Empire-minded nation like the British, repudiation of any debt, just or otherwise, must always be repugnant, and perhaps dangerous. The smoothness with which India and Pakistan secured their full independence after this war amazed the world. Instead of leaving a heritage of hate and distrust behind them the British left wide goodwill. That is something all too rare in this suspicious world and it could prove of immense practical advantage, too, in the trading days ahead.

The fact that the British did not attempt to welsh on these war debts—which after all were incurred largely in India's and Pakistan's defense—was a major factor in this friendly restoration of sovereign power to these two new dominions. Had Britain done otherwise both India and Pakistan might have been well out of the Commonwealth by now and busy erecting prohibitive tariff barriers against all and sundry.

If Americans would delve into history they would find that the British usually have acted in this manner. In another separation that took place on this continent a little over 160 years ago, the party setting up housekeeping on its own got just about everything asked, including a lot of border territory to which it had slim claims indeed. But here as in India and other places where Imperial Britain has withdrawn, voluntarily or otherwise, there has been no petty quibbling over terms.

In these war debts to India and Pakistan however, as the special article in The Financial Post last week pointed out, perhaps Britain has been a great deal more generous than she can now afford to be.

Sweden Could Teach Us

Most of us would be pretty shocked to come upon some person making a bonfire with hundred dollar bills. Yet we are seeing this sort of thing in a gigantic way with our forest wealth almost every day and doing little about it. We could learn a great deal from Sweden where the people have done something.

Canada's "productive forest" area is about ten times that of Sweden's but our fire loss last year was 500 times greater—800,000 acres against a mere 1,600.

It is true that weather conditions in Sweden are slightly more favorable for fire protection and also that the forests of that country are not quite so inflammable as ours due to the type of trees and the much better clean up of debris after the timber has been harvested. But the basic reason for the enormous difference in the two records goes far deeper than any of these.

In Sweden there is widespread public education in forest safety. Here there is much public indifference.

How Much For Depreciation?

There has been much discussion in recent years on the inadequacy of current depreciation charges to provide for the replacement, at present costs, of the plant and equipment which is being used up in current production.

The usual and accepted accounting practice bases the annual depreciation charge to earnings on original cost of plant and equipment.

With current cost of replacement today considerably above original cost, these depreciation charges are in most cases at a rate below the amount necessary to replace the assets. This causes an overstatement of net income, it is argued, by not charging to the cost of production adequate provision for replacement of the fixed assets used in production.

The National City Bank of New York, in its August letter, estimates that the cost of reproduction now of American industrial plant in 1948 was around 62% above its weighted average original cost and that the deficiency in current depreciation charges to replace fixed assets would be about $4.4 billions "which unless earned, represents erosion of capital".

Whether the basis for the annual depreciation charge should be original cost or replacement cost has been much debated.

Proponents of a change argue that net income is overstated and point to the difficulty of raising capital to meet the difference between original cost and replacement cost.

Proponents for continuing the present original cost method point out that, in theory, depreciation is the loss in value of tangible assets being charged into production, that the cost of new assets should be charged to the production obtained from them, that replacement cost will vary and in all likelihood could not be accurately estimated at that time the assets were purchased; that under the replacement cost method, there would be a loss of capital where assets were replaced in a period when costs were lower than when originally purchased.

One thing the discussion does bring out is the very real problem for business posed by present high replacement costs and the need for considering this factor in appraising company earnings.

Capital required to finance industrial replacements at these prices, over and above that provided by depreciation reserves based on recovery of original cost can only come from three sources, retained earnings, borrowing, or the sale of additional stock. They all mean that business must have good earnings, either to be retained or to permit sale of additional securities on a favorable basis. Even with good earnings, it is difficult for most firms to raise equity capital in present markets.

New Home For Oldest Paper

Centennial celebrations for Canadian business institutions, while not altogether rare are certainly not common. But down in Quebec City next month something very much beyond one hundred years is to be commemorated. This is the 185th birthday of the Chronicle-Telegraph. The parent newspaper, the Quebec Gazette, started publication just five years after the guns ceased fire on the Plains of Abraham.

The Chronicle-Telegraph, which claims to be the oldest newspaper not only in Canada but in North America is going to mark its birthday this year by moving into brand new quarters. It has outgrown the old 5-story building, a landmark of the Upper Town, where it has been printed for the last 50 years. The Financial Post joins with newspapers all across Canada in wishing the Chronicle-Telegraph many happy returns.

They Hear One Side Only

Had the British industrialist long ago discarded his reluctance to take the press into his confidence, much of the nationalization he now faces would never have materialized. This is the blunt charge of Scope, a British industrial magazine. In its current issue it says:

> "The trouble has been all along that British businessmen hate publicity, loathe reporters, and run in panic before a photographer. Industry has rivalled the Navy as the nation's silent service. It has paid heavily for the luxury."

As a result of this outdated but widespread attitude, the British public is only familiar with one side of the picture and almost invariably a distorted one. Not until industries were taken over has the public learned of the real troubles and problems of management but by then private enterprise has been ousted and another system has taken control.

There is a lesson here for management too, and one they would do well to learn before it is too late. While the sweeping allegation of Scope does not apply to Canada, nevertheless many cases could be cited where the co-operation of the press has been deliberately spurned. Too often the public has heard one version only of an industrial dispute or some other problem of production. In the end such a policy can only lead to one conclusion and one that will not be good for either individual enterprise or the country.

No Limits to This Export

More tourists are expected to visit Great Britain this year than ever before. The British Travel Bureau estimates this friendly invasion at 560,000 people. Of this total 130,000 will come from North America including about 25,000 from Canada. Tourist earnings are expected to exceed £55 million pounds.

For Britain, even more so than Canada, the continued development of the tourist business is of vital importance. It constitutes an "export" for which there is almost unlimited market, no competition and an enormous demand. There are literally millions of people on this continent who would like to make at least one visit to Britain and are prepared to spend up to $1,000 on British hotels, transportation and luxury goods on that trip. This would be more than the total spendings of the average North American family on other British imports during a lifetime.

Guest Editorial

by Beverly Baxter M.P.

The following striking statement is from a recent Baxter article in Maclean's Magazine.

What made Communism possible? Not the capitalist system which is inherently democratic but the abuses of capitalism which caused the extremes of poverty and wealth. If the Conservatives win the next election in Britain we shall strive to move steadily toward a way of life in which these extremes will not be possible, where there will be rewards for talent and enterprise but where the main impulse will be the steady raising of the standard of living for the majority.

On earth peace, good will to men . . . those words ring out across the centuries and show us the only way. The war of Christendom against atheism, of freedom against slavery, of democracy against totalitarianism cannot be won by adopting the very methods which we denounce.

Let us create a fair and full life for our people, let all nations of good will combine for peace, let us kill intolerance in our own hearts—and Communism will pale and disappear like the blackness of night at the approach of dawn.

Napier Moore's Scratch Pad

WE ARE BACK from our annual pilgrimage to Chester, Nova Scotia. There we acquired a tan. Not so much from the sun as from basking in the glow from the countenance of Philip Osler of the Photographic Surveys of Quebec Province.

With two or three Montreal businessmen Col. Osler went tuna fishing out from Wedgeport. The others had fished year after year without getting as much as a strike. He had never been tuna fishing before. In no time at all he hooked a monster that nearly yanked him out of the boat. After a tussle lasting an hour and a quarter he got it alongside. The tuna weighed 607 pounds.

Old-timers tell us that the longest battle with a tuna on record is 11 hours.

• • •

IT WAS WALTER MITCHELL, retired Halifax businessman now living in Chester, who told us about the oddest job we ever heard of—a fish barber.

Around 1912 his company in Halifax was given a contract to ship great quantities of fish for the feeding of Chinese laborers working on the construction of the Panama Canal. The Chinese supply agent who journeyed to Halifax to arrange this said that cod was really what he wanted most, but hake (otherwise known as "goat fish") would be acceptable providing the whiskers were removed. So, day after day in the Mitchell plant, two men spent their entire time shaving hake.

• • •

CHESTER'S INNS wouldn't appeal to vacationists who want a Ritz-Carlton or a Chateau Laurier, but they are hospitable and historic. The Lovett House, a hotel since 1827, used to be a private home at which the Duke of Kent, father of Queen Victoria, frequently stayed. In its annex was celebrated the village's first Roman Mass, long before the century-old Catholic church was built.

Incorporated somewhere within the Hackmatack Inn is part of what used to be Chester's old meeting house. In those days privateer ships often sailed into the harbor, their crews pillaging the farms and homes. It was Clara Dennis, the Nova Scotia author, who learned from the great-granddaughter of their leader the story of how the women of Chester averted a pirate raid. Part of female attire at that time was the pelisse, lined with red. The women turned them inside out, formed ranks and marched up and down Meeting House Hill. From the sea the privateersmen thought they were the redcoats—British soldiers—and hurriedly departed.

• • •

EN ROUTE to Nova Scotia we stopped off at Caton's Island, in the Saint John River, to see our old friend Howard P. Robinson, president of the New Brunswick Telephone Co. and director of the Royal Bank and numerous enterprises. Gradually retiring from an unusually active business life, he has sold his house in Saint John. Thus we no longer can tell, as we frequently rejoiced to tell, how we visited a house in New Brunswick which actually stands on Scottish soil.

Originally, the rocky hill on which the house stands was cleft with gullies. They were filled with earth brought back as ballast in Saint John sailing ships which had carried timber to Scottish ports.

But when Howard strolls around lovely Caton's Island (where he says that in reconverting his summer home he has far surpassed the Mr. Blanding who built his Dream House) he is treading where in 1611 traders and fishermen from St. Malo, the port of Jacques Cartier, built their huts and remained for several months.

• • •

A REPORT from Vancouver's Better Business Bureau says:

"In this mechanized age we do not expect to have the sale of horses referred to us. In this instance it was not a 'gift horse.' The price was $175, therefore the purchaser was expected to look in the beast's mouth. It was said to be nine years old. It turned out to be 19 years of age! Had the purchaser looked in its mouth he might have discovered that the horse's teeth had been filed down. Reminds us of some of the secondhand cars we hear about."

It reminds us of the farmer who, returning from a country fair with a new horse, found that the animal refused to eat or drink. He said, "I've got a real bargain—if he's a good worker."

Stop Me If—

Mrs. Sharpe: "My husband has changed a lot since our marriage. I made up my mind about that. He eats out of my hand now."

Mrs. Brown: "Really! It must save you a lot of washing up!"

• • •

Two workmen sat down to eat their lunch, and one began unwrapping a parcel about 18 or 20 inches long.

"What's that?" asked his friend.

"Well, my wife is away, so I made a pie for myself."

"A bit long, isn't it?"

"Of course it's long. It's rhubarb."

• • •

Around midnight, the absentminded professor left his berth in the sleeping car for a drink of water. Upon his return, he found that he was lost. He appealed to a porter for help.

"Don't you remember the number of your berth?" the porter asked.

"I'm afraid not," replied the professor.

"Haven't you any idea where it was?" asked the porter.

"Why, yes," the professor brightened, "to be sure. I did notice one time this afternoon that the window looked out on a little lake."

Cartoon by Grassick.

AND THEY SHOULD BE WORRIED.

Post Scripts

Sees New Role for Hospitals

Although Dr. W. Hurst Brown, the new chief of medicine at Toronto's Western Hospital, has a past filled with achievement, he was much more interested in telling The Post his plans for the future.

DR. BROWN

One important development is to be a research organization which will probe more deeply into the cause and cure of disease.

Brown was born in 1899 in Regina (when it was still Pile o' Bones Creek in Assiniboia territory) of a real pioneering family. He has continued the pioneering tradition in other fields. After a pre-medical course at the new University of Saskatchewan, he moved to Toronto's medical school and on to Oxford with a Rhodes scholarship. From then on it was a lengthy succession of fellowships and scholarships.

For four years he worked at St. Mary's Hospital, London, Eng., with Sir Alexander Fleming, Sir Bernard Spillsbury and many other medical giants. His first line of study had been metabolism. He took his Oxford degree in physiology; worked in chemistry with Dr. Roche Lynch, the British Home Office analyst.

After a year back in Toronto in the early thirties, the youthful Brown returned to England to compete for the Radcliffe Travelling Fellowship which provided two years of research outside of England. He won this prize in competition with a swarm of British students and went to Germany and Austria, where he specialized in what was then a new line, cardiovascular (or heart) diseases. From there? Johns Hopkins in the U. S. on another fellowship where he continued his studies on the heart and began to make a name for original methods of treatment.

In 1936 he was back in Toronto on the staff at Western and, because of special U. S. training, he was one of the first Canadian experts in treatment with the fabulous sulfa drugs. During the war he was head of medical research for the Canadian Army, earning the blessings of the PBI with his work on rations, clothing, etc.

Dr. Brown has far-reaching ideas as to the function of a hospital in today's world.

Now he is setting up his hospital medical organization in a way which promises to break new ground in clinical research.

Dr. Brown wants to see hospitals become something more than mere factories for the cure of disease. They should, he says, play a more positive role, serving the community as health centres, helping keep people healthy and teaching them how.

Having in his own career spanned the period of the greatest medical revolution in man's history. Dr Brown is convinced that nothing could more effectively choke off good research and block further sensational developments in the conquest of disease than socialized medicine.

The Socialist approach, he says, puts all the blame for the high cost of medical care in the wrong place. It is the cost of the great new curative facilities which modern medicine has evolved which sometimes weighs heavily on the public. That, not the cost of medical advice, is the problem for the future.

The Brown energy remains as fierce as in his varsity days. With various Oxford teams he toured Europe and America playing hockey and lacrosse. He rowed on an Oxford eight and paddled a canoe down the Danube. Now, in the little free time he gives himself, he is an eager fisherman and a relentless enemy of rodents and cows which threaten his garden at a summer place near Huntsville.

CMA First Vice-President

In a lovely home at Rock Island, Quebec, near the United States border lives J. Douglas Ferguson with his wife, his teen-age son and his collection of coins. He is managing director of Spencer Supports (Canada) Ltd., and was elected first vice-president of the Canadian Manufacturers' Association at this year's meeting.

A big, courtly and kindly man, Ferguson at 48 is one of the foremost numismatists on this continent. His collection of coins is famous and he has twice been president of the American Numismatic Association which is the largest association of its kind in the world. Ferguson devotes a whole room to his coins; they are kept in metal cabinets and most neatly catalogued and filed. He is also a Fellow of the Royal Numismatic Society.

Born in Bracebridge, Ont., in 1901, he moved to Toronto before he had much choice in the matter and was educated at the Toronto public and high schools. He went on to the University of Toronto, but left before graduation to take a job with the Bell Telephone Company. He spent ten years with them, mostly in Montreal doing management work and reorganization. In 1935 he moved to Spencer Corsets, as it then was, as general manager. Six years later he was appointed managing director, and under his management a new plant was completed at Rock Island, which is regarded as a model of its kind.

The Rotary Club at Rock Island is called the Rotary Club of the Boundary: its members come from both sides of the border and Ferguson was its charter president. He is also a past president of the International Chamber of Commerce which serves the border communities of Quebec and Vermont.

• • •

Civics and Explosives

Montreal is Canada's largest city and has a bright future ahead of it as Montrealers are quick to admit. Before it reaches it there are a number of thorny problems to be worked out. There is the question of transportation and transit (not rapid at present); a merchandise mart and a food mart; a civic centre and a concert hall. And there is the possibility that the St. Lawrence Seaway will get started in the near future.

MR. HASLETT

These are a few of the items that the Montreal Board of Trade will ponder during the next year. Presiding over its activities is Leslie Woods Haslett, who is also manager of the explosives and ammunition department of Canadian Industries Ltd.

A native of Pontypool, Eng., Leslie Haslett came to Canada in 1929 as secretary of CIL management committee, when that company was just about one third its present size. Since then he has been manager of the "cellophane" division, general manager of the cellulose products group and general manager of the chemical group.

Haslett arrived in Canada with a reputation as a top flight rugger player. He was a member of the All-England International Rugger team in 1926. He played for two or three years in Canada but gave it up when as he says, "I got lazy." Later he took up a typically Canadian sport—skiing.

Mr. Haslett has been connected with Board of Trade activities for a number of years. He was on the B of T council in 1934-35 and was treasurer in 1945-46. He has also been active in other civic bodies having served on the board of directors of the Welfare Federation and a year ago was a member of the Council of Social Agencies.

He is married, has five children aged 9 to 16 years.

What Others Are Saying

Editorial of the Week

Two Parties Are Enough

Montreal Star

For 14 years now two splinter groups have crowded their way into positions in the House of Commons which give them equal, or very nearly equal, rights with the official Opposition. A decade or so ago there was some slight justification for this. Nobody then knew that the C.C.F. and the Social Credit groups were to prove themselves incapable of proving their national strength. Enough time, however, has elapsed to show that the Canadian people prefer the two-party system. The splinters of 15 years ago are splinters still.

In these circumstances, a change is desirable. It is more than desirable. It is badly needed for, if we slip into the practice of admitting every Tom, Dick and Harry to the leadership of a party, we will have a dozen of them, and stability of government will disappear. Canada does not want to slip into the agitated condition of the French or Italian Chambers of Deputies.

Splinter party members should be recognized only as independent members. There is no necessity for a Speaker to accept lists of proposed debaters from the splinter party whips. There is no need to place them on committees unless their capacities have clearly proved their right of membership. There is no need even to seat them together in the House.

Other People's Views

HUGE EXPENDITURES for non-productive purposes should be ruled out warns the **Sydney Post-Record.** "There are stormy times ahead. This country, like every other country in the world throughout history, can only afford to consume as much as it produces, combined with what it can obtain from other countries in return for goods which can be sold them."

THE GERMAN PROBLEM has not been solved yet, declares the **Winnipeg Free Press.** "The Allies are still far from the place where they can risk the withdrawal of their occupation forces from Germany. The new state is neither strong enough nor trustworthy enough to be left to face the power of Communism only a few miles away. The front line of the free world runs along the new Germany's eastern frontier and must be held with visible power until Communism no longer threatens it."

PARLIAMENT HILL at Ottawa should be kept clear and spacious says the **Ottawa Journal** which is opposed to moving the National War Memorial to that location. "A less pleasing idea can hardly be imagined. The unique beauty of our Parliament Hill is its spaciousness. The buildings fan out nicely, the green sward suggests the roominess of our country. Now comes some fellow wanting to drive his car a little faster and to do so he'd dump the War Memorial wherever he finds room for it."

USES OF LEISURE presents many problems to Canadians, thinks the **Lethbridge Herald.** "There are still a lot of people who are not happy in retirement. It may be that in time we will learn to develop a hobby or other interests outside our work to enable us to keep busy when we retire. We have not arrived at that stage yet so far as the mass of the people are concerned. Until we do retirement is feared by many people who feel they would be better off doing at least some work until the end. The truth is that we still have a lot to learn about leisure."

MORE SPACE THAN CARGO is reported from Port Churchill by the **Saskatoon Star-Phoenix** which says that someone has blundered. "Fourteen ships were scheduled to dock at Churchill during this Bay season. Their combined capacity probably is more than 4,000,000 bushels. But through the astonishing short-sightedness of the wheat board there is only 1,150,000 bushels available to fill their holds — most of it stored at Churchill. Already two of these ships have been diverted to Eastern ports and doubtless more will relinquish their plans to use the Bay in the face of the shortage of outgoing cargo."

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Aug. 27, 1949

What's No. 1 Job for Parliament?

The Question: What main job would you like to see Parliament undertake in the coming session?

The trans-Canada highway is most mentioned by Post readers answering this week's question as an essential job for Parliament to tackle at the coming session.

Considerable stress is also laid, as would be expected, on our trade and dollar difficulties. Dominion-provincial relationships rate high on the list together with social security plans, while several readers point to double taxation and government spending as matters demanding high priority.

Immigration proved to be still uppermost in many minds; one reader thought a Canadian flag an important issue.

R. M. ROSS, News-Sentinel, Amherst, N.S.

Construction of the Chignecto Canal is of utmost importance from the Maritime viewpoint. I would urge immediate start on this project to parliament. I feel wider interest in conservation measures of fish, game resources is an essential. Curtail the bureaucratic trend of government and economize through limitation of civil service staffs. The Hoover Report in United States could be applied to governmental costs in Canada. Abolish 8% sales tax, lower postal rates and a break for cigarette smokers is an essential as well.

* * *

WM. M. GRAY, Industrial Commissioner, Chatham, Ontario.

Encouragement of rugged individualism rather than too paternal an attitude can do most for a great commercial frontier like Canada. Ottawa should rightfully continue with national projects like the St. Lawrence and needy public buildings, etc. But for lasting prosperity may we find ways and means to ever ease the burden of established industry while on the other hand we strengthen and encourage all humble efforts to hold youth within our borders by a start in even the smallest of enterprises. Finally, broaden the program of immigration that export be not our only outlet if we would hold to our expanded production.

* * *

GUY JASMIN, Editor, Le Canada, Montreal.

1. A Canadian bill of rights in order to prevent what Hon. L. B. Pearson recently described as "the black madness of witch hunt."

2. A federal-provincial conference where the constitutional difficulties created by a national bill of rights would be ironed out.

* * *

F. H. RUSSELL, Manager, Nesbitt Thomson & Co., Vancouver, B.C.

Some of the main jobs which I personally would like to see taken in hand are:

1. A real effort to economize and reduce the ever-mounting cost of government and its resulting financial drain upon our citizens.

2. Settlement with the provinces and a start made upon the long-promised and discussed trans-Canada highway which would bring substantial returns in tourist dollars and at the same time cut down the drain of U. S. dollars.

3. The spending of more of its time on solving the problems of markets for our raw materials and manufactured goods and less upon fruitless discussions and political side-issues.

4. The calling of a Dominion-Provincial conference with the object of securing unity between all provinces and the federal government.

5. The complete elimination of double taxation and the encouragement of capital for the development of our resources.

* * *

A. C. EMMETT, Managing Director, Manitoba Motor League, Winnipeg.

Arrive at definite understanding as to routing the trans-Canada highway and appoint a Dominion-Provincial board to co-relate construction to allow letting of long section contracts which would minimize cost by obviating expense of removal of road building equipment over long distances for only short mileage contracts. Dominion assistance to provincial governments on construction of north and south roads connecting United States' principal border points with trans-Canada highway to allow promotion of tourist traffic.

* * *

BILL REA, Managing Director, Radio Station CKNW, New Westminster, B.C.

Whether by barter, pounds or dollars, Canada's export trade must be maintained. Eastern manufacturing areas depend on markets such as British Columbia which needs to export lumber, fish, pulp, fertilizer, fruit, etc. Without export volume our purchasing power dwindles and your factories close because we westerners cannot buy. One big problem for the coming session is maintenance of Canada's exports to assure total Canadian prosperity.

* * *

L. D. NESBITT, Publicity Superintendent, Alberta Wheat Pool, Calgary.

Western Canada is greatly concerned at the present time with the prospects of diminishing exports of surplus farm products due to dollar shortages in Great Britain and other European nations which normally are substantial importers of Canada's surplus food. The West is also concerned with the retention of the present arrangement with the United States whereby a considerable volume of coarse grains and livestock find a market there. I think these matters should occupy a prominent place in parliamentary discussions during the forthcoming session. I believe some policy should be developed whereby Britain could be aided in her present dilemma, either through advancement of credits or increase of the purchasing of British goods, or both, so that a large share of that vitally important market may be obtained by Canadian farmers.

* * *

HUGH SAVAGE, The Cowichan Leader, Duncan, B.C.

After 35 years' advocacy, I urge Canada adopt a distinctive Dominion land flag adaptable for sea and air services, thus avoiding further loss of prestige and trade abroad, encouraging national sentiment at home. A third world war is certain unless Communism's fanatically held beliefs, plus practice are matched by so-called Christians, irrespective of denomination. Domestically, there is no solution of labor-capital war until individual members, and so parliament, recognize the issue is not only material but moral. This ideological age demands ability to trust one another. Real democracy demands radiant Christianity.

* * *

O. EDGERTON, General secretary-treasurer, National Union of Railwaymen, Winnipeg.

The first job the Government should undertake at the coming session is to implement a contributory old age pension scheme free of the means test. In both this country and the United States, various labor organizations are pressing for the establishment of pension plans by industry. Good as these plans may be, they can only apply to the organized workers. What is needed is a social security scheme national in scope, applying to all workers and salaried people. The present government owes its re-election largely to the success of the Unemployment Insurance and Family Allowance Acts. It can do no better than continue along the line of making life for Canada's citizens so attractive under democracy that they will not consider any other form of political economy. Assurance of security in old age would prove one of the greatest bulwarks against Socialism and Communism in this country.

* * *

M. D. GRANT, President, Sovereign Life Assurance Co., Winnipeg.

Parliament's first job should be to implement the budget now in a state of suspended animation. Budget amendment to further extend present partial relief from double taxation is highly necessary. The railway problem is of vital importance and will require non-partisan and statesmanlike handling. Dominion-provincial relations at present are a source of disunity and controversy. They should have high priority with reallocation of public services and financial responsibility therefore clearly defined. Any further public health and welfare projects should be approached cautiously with possible adverse economic changes in mind. Parliament might also take a fresh look at the CBC and wrestle with deflation of excessive administrative costs.

* * *

HUGH A. GRAYBIEL, The Star, Windsor, Ontario.

I would like parliament first to undertake not to spend months re-fighting the election campaign. Electors spoke on those campaign issues. In keeping with its mandate, the Government should offer a social security program, on a contributory basis similar to that in the United States, and Parliament should adopt it. Also, it should proceed with any legislation necessary for a trans-Canada highway, irrigation or other projects necessary for the physical development of Canada and which would pay dividends in to the national economy. It cannot undertake everything at once, but if it proceeds gradually, on a priority basis, it will keep in step with the spirit of the Canadian people.

* * *

M. A. EAST, President, Canadian Manufacturers' Association.

I would suggest four main jobs that parliament undertake at the coming session, namely, dollar situation, double taxation, a national road building program and immigration.

The dollar situation: Recommend against further weakening of dumping duty regulations as I feel that soft currency countries should return to freely conducted multilaterial trade coupled with increased productivity and lower taxation.

Double taxation: Very essential that parliament substantially ease double taxation and that provision be made whereby surpluses accumulated to end of 1948 can be withdrawn on a comparative basis to that which existed under section 96 dealing with surpluses accumulated to 1939. Arrangements should cover both common and preferred stock dividends. Present double taxation is adversely affecting the willingness of our people to risk in constructive enterprises which could assist in providing continued full employment.

Road building: A national program of north-south and east-west arterial highways would bring a tremendous revenue of U. S. dollars for years to come.

Immigration: Parliament should provide a positive and real immigration program now sadly lacking.

* * *

H. KOSHEVOY, Managing Editor, The Sun, Vancouver, B.C.

Canada's main problem, trade, is beyond the power of parliament to correct by itself but government should have news for members arising out of the talks in Washington among ourselves, Americans and British. The best that can be hoped for, perhaps, is a frank discussion by government of full facts and prospects. The Pacific Coast would like parliament to take definite action on trans-Canada highway and housing. Too much cannot be expected in a short session but the Government should indicate this time what can be expected in the 1950 session with respect to contributory old age pensions and health insurance.

Look For 3 Million at 'Ex'; Here Are Some Highlights

So great was the demand for space at this year's Canadian National Exhibition — which opens this weekend and continues till Sept. 10 at Toronto's Exhibition park — that close to 1,000 firms who wanted to be in on the world's greatest annual fair had to be told "sold out."

That's one record the 70-year-old Ex can chalk up already; as always, its organizers expect to have more to talk about before the run is through.

And, as always, visitors can expect a comprehensive show of what's new for business, industry, the consumer, together with the usual variety of entertainment from the midway sideshows to the nightly grandstand extravaganza.

Last year 2,612,000 visitors poured into the Ex at an average of 190,000 a day; this year it's hoped to crack the three million mark — at an extra nickel per admission (40c as against last year's 35c, although for the first time tickets will be available at three for $1).

All told exhibitors have put nearly $500,000 into indoor exhibits, with one merchandising firm reported to have spent $150,000 on its exhibit alone.

Few details of individual exhibits were known at midweek—with merchandising competition at its keenest since prewar, many exhibitors were keeping details under wraps — but here are a few of the highlights.

A "chemical wonderland" is being staged by Canadian Industries Ltd. Its central feature is a huge book, with pages 10 ft. by 12 ft. turned mechanically, telling the story of Canadian industry province by province and the part chemistry plays in each province's industries.

A nylon bedroom and a realistic plastic "diamond" are among the aristocrats of the test tube on display. Drapes, curtains, lampshades and valance, armchair, headboard, vanity bench and mattress covers in the bedroom are all of nylon. The "diamond" is made from an acrylic resin, lucite. An actual diamond of the same size would weigh 12 times the weight of the Cullinam, the largest diamond yet discovered.

For the first time in the Fair's history architects are putting on a show.

Sponsored by the Royal Architectural Institute of Canada, the exhibit has been designed and executed by Toronto architects and includes drawings, photographs and models submitted by architects from Newfoundland to British Columbia.

A large part of the exhibit is devoted to studies of modern houses and factories, stores, schools and churches, attractively planned "neighborhood" communities and municipal buildings.

For the first time since 1932 the Port of London Authority is represented. A 14 ft. 6 ins. model of London Bridge, a scale model of 15 miles of the London dockside, with 150 ships berthed and 1,000 Thames barges are principal features of the Authority's exhibit, designed to show Canadians how the goods they send to Britain are handled on arrival.

Imperial Oil has an exhibit of novel design telling the story of oil refining. An endless, circular train will take visitors on a tour of five animated displays, depicting each of five major processes. In addition Imperial will be showing a selection of its industrial movies.

Bell Telephone, in addition to providing a telephone centre and 200-odd coin boxes throughout the exhibition grounds, is repeating last year's teletype exhibit in the Business Equipment Building where the latest in scores of different office machines will be demonstrated. Emphasis is given to point-to-point service in the teletype exhibit in connection with which an illuminated map will show how messages travel over Bell telephone lines connecting head offices with their branches at widely-scattered points.

The auto exhibit — always a major attraction for Ex. visitors — is the largest since the Ex started up again after the end of the war. Canadian, British and Italian firms are represented with a full range of models including one 1950 job to be seen for the first time.

General Motors is putting on a new edition of its "Transportation Unlimited" show which played to more than a million people in New York and Detroit earlier this year. Show features an estimated $250,000 worth of transportation equipment spotlighting the company's complete line of auto products, trucks, Diesel locomotives, Diesel marine, truck and industrial units.

Toronto Transportation Commission is featuring the latest in streetcar transportation — the Streamliner Double, a two-car unit of modern streetcars, 100 of which will be put into operation on the Toronto Bloor-Danforth route next month to speed up traffic on this presently-saturated crosstown artery.

Man. Power Comm. Plans Additions To New Station

Manitoba Power Commission's new $1 million Parkdale terminal station and 115,000 volt Parkdale to Brandon transmission line was "switched" into operation Aug. 4.

The new line has the second highest transmission voltage in the province, being fed initially by a 15,000 kva three phase transformer, one of the largest units of this type ever installed in Manitoba, General Manager W. D. Fallis stated. This has relieved the overload on other transmission lines and voltage conditions have returned to normal in Brandon, Neepawa, Virden, Birtle, Dauphin, Boissevain, and all towns between these points.

"The whole system benefits indirectly as the new line carries a large portion of the total electrical load", said Mr. Fallis.

"In July", Mr. Fallis stated, "Manitoba Power Commission purchased and generated 16,304,692 kilowatt hours, 39.55% more than the same period last year. In view of this rapid growth, additions have already been planned for the new Parkdale station."

B. C. Pulp & Paper Will Re-open Mills

VANCOUVER — B. C. Pulp & Paper this week announced it would reopen its Woodfibre and Port Alice rayon mills Sept. 17 and Oct. 3 respectively. Improvement in the U. S. rayon market and reduction in stocks by the three-month closure are believed to have brought about the decision.

The local office of Sorg Pulp Mill at Port Mellon, third plant to shut down this summer, has been closed and future plans of the company are not known.

COMPANY REPORTS

MAXWELL LTD., St. Marys, Ont. net sales were 27.8% greater for the 10 months to April 30, 1949 than sales of the predecessor company for the 10 months to June 30, 1948, President H. W. Maxwell states. Net profit was $111,347 ($90,392).

Directors have decided that the fiscal year should coincide with the calendar year so that the next fiscal period will end on Dec. 31, 1949.

Directors' policy has been to retire bonds as quickly as possible, consistent with maintenance of adequate working capital and a fair return to shareholders. Sinking fund requirements for 1950 have been more than met.

Two new products were successfully introduced in the period—a new type of power wringer for washing machines; and power lawn mowers by arrangement with Eclipse Lawn Mower Co. of Illinois. Production of power mowers for next season will be much greater than for the season just completed, Mr. Maxwell states.

All the shares of Butler Metal Products Ltd. of Preston, Ont. have been acquired since April 30 which will result in uniformity of quality and assurance of prompt supply of steel stampings as well as substantial savings in cost, Mr. Maxwell states.

INCOME ACCOUNT

	10 mos. ended Apr. 30 1949	10 mos. ended June 30 1948
Net sales	$1,934,949	......
Net earnings	241,523	$169,368
Less: Deprec.	29,804	9,976
Loss on assets	309	......
Bond int.	22,169	......
Taxes	77,894	69,000
Net profit	111,347	90,392
Less: Dividends	26,250	......
Surplus for year	85,097	90,392
Earnings per Share and Dividend Record:		
Common	$1.59	$1.29
Paid	0.37½	....

CONDENSED BALANCE SHEET

As at:	Apr. 30 1949	July 31 1948
Cash & bonds	$38,613	$79,596
Accts. rec., less res.	231,854	143,306
Inventories	270,467	203,476
Total curr. assets	549,934	426,378
Deferred chgs.	5,789	8,453
Prepaid exp., etc.‡	13,601	32,579
Fixed assets*	513,661	531,605
Total assets	1,082,985	[illegible]
Bank loan	5,000	26,000
Accts., etc., pay.	116,661	83,156
Inc. tax	68,000	55,302
Total curr. liabs.	189,661	164,458
Employees' res.	9,225	......
Funded debt	525,000	550,000
Capital stock	274,003	274,003
Earned surplus	85,096	4,554
‡Incl. ref. EPT	4,327	14,680
*After deprec. of	29,804	2,884
Working capital	360,273	261,920

RENABIE MINES gross value of production in July amounted to $104,341 from 13,038 tons of ore milled, an average of $8.00 a ton. Amount receivable under Emergency Gold Mining Assistance Act for month is estimated at $10,533.

OSISKO LAKE MINES still retains $88,468 cash in bank with only $200 accounts receivable, 1948 annual report shows. President W. B. Maxwell notes that drive from Noranda at 5,975-ft. level into Osisko ground has been started and that after completion, diamond drilling from drift will start. Further surface drilling from lake is planned this winter.

Study Rebuilding One Third Plant Of Cooksville Co.

Cooksville Co. hopes to know in about a week how soon the one-third of its Cooksville brick plant not destroyed in last week's fire can be put back into operation, A. U. Coté, vice-president and general manager tells The Financial Post.

Engineering surveys on rebuilding the remaining two-thirds of the plant and estimating the loss have also begun. It is expected to be two or three weeks before these reports are completed.

The rebuilding of the remaining two-thirds of the plant would likely have to be entirely completed before any part of it could start producing, Mr. Coté felt.

The loss was fully covered by insurance including use and occupancy insurance, Mr. Coté states.

The one-third of the plant which it is hoped can be placed back in production produces 12-15 million bricks a year. The plant has been turning out 45 million.

TOWN OF LITTLE CURRENT, Ont., has sold an issue of $65,000 3¾% 20-year debentures to Midland Securities Ltd. at price of $100.31, cost basis of about 3.71%. Proceeds are to complete waterworks system.

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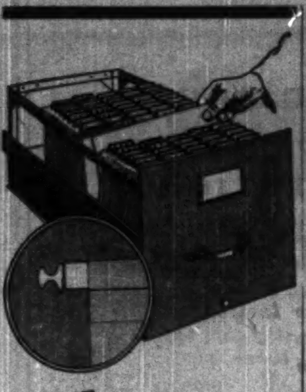

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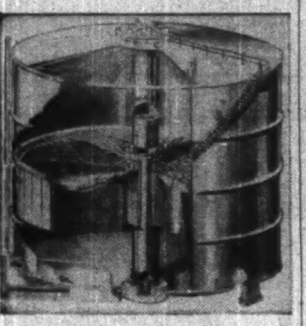
SILANCO MINING & REFINING has received payment for Sept. 8 underwriting installment of 75,000 shares at 27 cents a share under agreement with Torny Financial Corp. Issued capital is 3,975,000 shares.



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LONDON CALLING—*By Adelphi*

What Crisis? Asks U. K. Man-in-Street; Sees Washington Talks Solving All

LONDON—The atmosphere in London is one of standstill at the moment. Everyone is waiting for the next step. Since it first became apparent in July that the drain on our dollar resources and on our gold reserves had reached the danger point, there has been this sense of expectancy, rather reminiscent of some parts of the War when we knew a blow was coming from somewhere but we did not know where or how.

That is part of our trouble. The figures involved are so vast that to the average man they are meaningless; the economic situation is so involved that to him it is incomprehensible. Wages are high; compared with three or four years ago, there has been a considerable increase in the availability of consumer goods and the weather is better than it has been for years. So the man in the street just cannot understand what the politicians and the economists are worrying about.

The Englishman, however, has a touching if somewhat cynical faith in his leaders. These have told him that there is a crisis so he agrees that there is one; he continues cynical about their competence to deal with it and accepts the attitude of mind reflected in a recent cartoon which depicted a man and his wife sunning themselves by the sea. The man was explaining the situation with the words, "The crisis is so complicated that they have decided to put it off until after the holidays."

It is generally supposed that the Washington talks next month will solve everything. But there is no longer a readiness to accept American aid once again. On the two previous occasions, the majority, while not liking the idea of receiving assistance which seemed very like charity, resigned themselves to it as inevitable and satisfied their consciences with the comfortable thought that it would restore our prosperity and so we should soon pay it back.

Now they see that it has not restored our prosperity, and it does not require a lot of intelligence to see that if we have not got enough dollars to pay our way, the prospects of having a surplus to pay back are remote. Therefore one thing is clear; there will be no popular enthusiasm for anything resembling another American Loan or further schemes of Marshall Aid.

• • •

The Stock Market Continues Depressed

Meanwhile the stock market continues very depressed. As Anthony Eden recently pointed out, there was no justification for the claim made some two years ago by Mr. Dalton, who was then Chancellor of the Exchequer, that we had arrived at a stage of our financial development when we could be sure of cheap money. He was able to put us on a 2½% basis then because the circumstances of pent-up money trying to find an outlet made it possible in a seller's market.

The consequences have been far from satisfactory, not least for some of those who might be supposed to have been among political supporters of Mr. Dalton. When gas was a private enterprise industry, there had long been a system of co-partnership by which the operators distributed profits to the workers by way of an annual allocation of stock. On nationalization, all stockholders were paid off by receiving 2½% Government stock in lieu of their previous scrip. Many of these were very modest holders, men who had over a period of years received a few hundred pound's worth of stock as part of their remuneration as employees of the old companies. They are far from pleased now at finding that their new stock carries half the interest of the old and has depreciated some 10 or 15% in capital value in a couple of years.

• • •

Fear Another Outburst Of Strikes At Hand

In industrial circles there are fears that another outburst of strikes many be just around the corner. The London dock strike, which ended as suddenly and as unexpectedly as it had begun, is making a lot of people think. Quite clearly there never was any justification for the strike; equally clearly there never was any reason for its termination. That is to say, there was no settlement of any dispute because there was no dispute to settle.

The men stopped because someone told them to and they went back to work because someone told them to. There is only one deduction; that the Communists were having a tryout. The excuse of supporting a dispute in Canada was all eyewash.

There is a growing realization that these tactics can be repeated at any moment. Already there are rumblings in the railways and in the mines. Everyone agrees that there is little substance in the so-called grievances. There is certainly nothing that ought not to be capable of settlement by the usual processes of arbitration.

Yet there is this uneasy feeling that our economy can be paralyzed at any moment by shutting down coal and transport at the whim of an alien political creed. The bright spot is that the working man is himself beginning to realize that he is being fooled. When he becomes fully alive to this the plot may recoil upon the plotters.

• • •

Churchill Puts Socialists In Shade In Europe

Here in England we are still taking a somewhat detached view of the experiment at Strasbourg, where a dozen Western European nations are endeavoring to set up something in the nature of an international Parliament. The interest at present seems to centre more on personalities than on program.

It was inevitable that Mr. Churchill should put the Socialist delegates from this country in the shade, and it was equally inevitable that they should be irritated in consequence. It was a pity that they showed their irritation, but good may well come out of it. There has been a tendency for his political opponents to write Mr. Churchill down as a back number. Even if they don't really believe this, they regard it as good political manouevring for the next general election and they have said it so often that certainly some of them had begun to convince themselves that it was so.

Now they have found that on the continent of Europe his is still a name to conjure with. Vast crowds gathered to cheer him to the echo while his countrymen who had been trying to decry him went by unrecognized. When they return to their native shores they will be in no doubt that his is still a force to be reckoned with.

• • •

Shaw Takes A Crack At Tax Grabbers

Talking of back numbers it seems that the achievement of this status has nothing to do with age. Here is the nonagenarian Shaw producing yet another play. It is true that he has nothing new to say; by the time a man has reached 90 he has probably said most of it, and this is more likely to be so in the case of a man of Shaw's forceful personality and powers of expression.

That does not prevent him having some very pungent observations to make on the modern world and on the web which man has spun to enmesh himself.

One of the matters which Shaw deals with in his new play is the social consequences which occur when a man, by the acquisition of vast wealth, brings up his family to expensive tastes and then, on account of death duties in this country today, leaves them comparatively penniless. Bernard Shaw has, of course himself accumulated an enormous sum by his own hard work and in due course the State will take most of it. Although approving the Socialist philosophy, Shaw does not like the State taking too much from him.

As his play indicates that his mind has been on this problem I should not be in the least surprised if it turns out that he has the last laugh when the tax-gatherers come to collect.

• • •

Finally a word about made-up bow ties. A news item here says that these are to be issued to postmen in some parts of Canada. To the Englishman this is profoundly shocking, for the made-up bow tie has long been a standing joke.

Twenty or thirty years ago this neckwear marked a broad class distinction. Those who wore it were on the wrong side. Now that we are engaged in making a classless society it has become a museum piece. The Englishman hopes that this news is without foundation for he thinks it unjust that a useful public servant should have this comical indignity forced upon him.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EVANS COLEMAN & GILLEY BROTHERS LTD., Vancouver, B.C. consolidated net profit of $651,130 for year ending March 31, 1949 was up 55.5% from previous year's net of $418,787.

On Jan. 9, 1949 the plant of one subsidiary was almost completely destroyed by fire. Reconstruction is proceeding rapidly and operations should be resumed in the very near future, President Gordon Farrell states. Fire insurance claims have been agreed. Settlement of use and occupancy insurance is still pending.

A subsidiary had under construction two plants at March 31, 1949, estimated to cost, when completed, about $950,000.

A subsidiary has contracted to supply materials to an estimated value of $1,350,000, on a fixed unit price basis, to the Dominion's Department of Public Works.

Capital assets show a net increase of $118,585 for the year.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Net earnings	$1,512,410	1,198,277
Less: Deb. int.	44,412	47,031
Depr. & depl.	426,743	365,969
Inc. tax	392,300	334,200
Min. int.	30,318	32,290
Add: Asset sale prof.	32,493	......
Net profit	651,130	418,787
Less:		
Cl. A & B divds.	133,230	132,923
Surplus for year	517,900	285,864
Earnings per Share and Dividend Record:		
Cl. A: Earned	$5.86	$3.77
Paid	0.60	0.60
Cl. B: Earned	1.75	1.06
Paid	0.20	0.20

CONDENSED. CONS. BALANCE SHEET

As at Mar. 31:	1949	1948
Cash & Dom. bonds	$338,932	$283,528
Accts., etc., rec.	2,015,419	1,660,724
Life ins., c.s.v.	6,356	6,247
Inventories	979,299	887,387
Total curr. assets	3,340,006	2,837,886
Investments	42,967	43,217
Deferred chgs.▲	435,182	178,704
Fixed assets*	3,100,036	3,110,002
Total assets	6,918,191	6,169,809
Bk. loan & overcraft	427,505	883,848
Accts., etc., pay.	1,052,955	901,038
Taxes pay.	392,383	264,257
Debent. due	75,000	75,000
Total curr. liabs.	1,947,843	2,124,143
Mtge. pay.	109,000	105,000
Funded debt	1,125,000	1,200,000
Reserve	428,988	166,914
Min. int. in subs.	530,887	338,299
Capital stock	883,671	883,671
Earned surplus	1,892,802	1,352,782
*Less depr., depl.	3,050,589	2,931,038
▲Incl. ref. EPT	16,678	40,318
Working capital	1,392,163	713,743

BRITISH COLUMBIA PACKERS LTD. highlights of annual report for year ending April 30, 1949, are:

Net profit of $996,541 was down 36.9% from previous year's net of $1,581,328.

Net sales of $27,333,390 ($28,752,968) were down 4.9%.

Inventory of merchandise and operating supplies is down $30,164; management is now engaged in a definite program of reducing materially this inventory since supplies and equipment are more available and coastal freight service is better, President J. M. Buchanan states.

Inventory of finished products increased $1,506,445 since 1948 pack was liquidated more slowly than were the packs of the postwar years of 1946 and 1947. This retarded rate of sale was particularly evident with cohoe and keta (chum) salmon. A large pack of keta salmon was produced at high cost and subsequent deteriorating market conditions made both canned keta salmon and frozen keta salmon unprofitable items, adversely affecting earnings. Since the year end, inventory of products has been reduced by about $2,400,000 and it is anticipated that balance sheet values will be fully realized on liquidation of the present carry over, Mr. Buchanan states.

Fixed assets increased $751,210.

The outstanding shares of Western Whaling Corp., in which a partial interest had been owned previously, were purchased. Processing facilities were greatly enlarged, a large whaler purchased and two of company's own ships equipped for whaling. With the exception of a small operation at Eureka, Cal., this is the only whaling plant operation on the west coast of the Americas north of Valparaiso, Chile, Mr. Buchanan states. The plant is now a complete and efficient unit capable of utilizing all parts of the whale.

Further additions were made to fish meal and oil plant capacities in the Fraser River area. The evaporating plant for stickwater was built and brought into operation. This plant recovers condensed fish solubles for livestock and poultry feeding purposes from the waste water of the fish meal and oil operations. Still further development in this direction is planned.

Several boats were repowered; two steel 500-ton barges were purchased, suitable for transporting raw herring from fishing grounds to processing plants or for carrying fish oil from plant to railway terminal.

Program of rebuilding plant and living accommodation at Namu commenced several years ago, was almost completed.

No large capital expenditures are contemplated other than those required for further recovery from waste products and certain additional storage facilities at Steveston, Mr. Buchanan states.

All major employee agreements have been concluded and these will reflect increased costs throughout most sections of operations. Minimum prices established for pink and keta salmon are slightly lower than last year while the minimum prices of the other species remained the same as last year. Still to be negotiated are minimum prices for fall salmon, the price to be paid for winter herring and contracts covering employees in fish meal and oil plants and shipyards.

The company has continued its program of widening the field of specialty products and of developing greater utilization of waste products. Newest product marketed is "Pet" dog food which is meeting with ready acceptance in British Columbia.

Shareholders are asked to vote on a bylaw changing financial year end from April 30 to March 31. During April certain fishing operations get underway, crews proceed to the plants to prepare for the season and considerable supplies are in transit, so that this change will facilitate inventory taking and audit, Mr. Buchanan states.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1949 $	1948 $
Net sales	27,333,390	28,752,969
Net earnings	2,225,138	3,778,482
Less: Depr.	563,780	575,482
Bond int.	30,750	35,250
Tax reserve	634,067	1,586,422
Net profit	996,541	1,581,328
Less: Min. int.	560	2,430
Cl. A & B divds.	353,197	283,971
Surplus for year	642,784	1,294,927
Times Bond Interest Earned:		
Before depr.	72.36	107.19
After depr.	54.03	90.87
Earnings per Share and Dividend Record:		
Cl. A: Earned	$3.52	$5.59
Paid	0.75	0.75
Cl. B: Earned	2.77	4.84
Paid	0.50	0.25

CONDENSED CONS. BALANCE SHEET

As at April 30:	1949	1948
Cash	$271,229	$392,631
Accts rec.	1,989,773	1,997,568
Inventories	6,465,973	4,977,061
Total curr. assets	8,726,975	7,367,260
Prep. exp.‡	65,705	80,837
Misc. assets▲	132,515	501,484
Fixed assets*	4,469,138	3,769,133
Licenses, g'dwill	1,308,137	1,256,933
Total assets	14,702,470	12,975,647
Bank advances	1,948,608	......
Accts. & tax. pay.	2,890,555	3,932,120
Total curr. liab.	4,839,163	3,932,120
Minority int.	31,032	65,896
Funded debt	750,000	900,000
Capital stock	3,730,000	3,730,000
Capital surplus	......	336,468
Earned surplus	♦5,352,275	4,011,163
*After depr. of	7,638,486	7,113,422
▲Incl. ref. EPT	132,515	171,443

♦Includes $336,468 transferred from capital surplus and $361,861 prior years' adjustments.

‡Incl. in curr. assets in co's report.

Working capital	3,887,812	3,435,140

INTERNATIONAL MINING CORP. net asset value was $9.43 a share at June 30, 1949, while net profit for first six months was $96,962. Decrease in net asset value over six months of 26 cents a share resulted from decrease in unrealized profit on investments.

CONIAURUM MINES reports estimated profit before write-offs but after taxes of $53,461 for three months ended June 30, 1949, compared with $31,613 for same quarter of 1948. No. 68, new vein on 2,000-ft. level, has been drifted 100 ft., being strong and well defined and showing visible gold every round to July 25, 1949. Next diamond drill intersection is some 225 ft. east of the present heading where 19 ft. of $11.73 material was encountered. Estimated cost-aid in June, 1949, quarter, was $33,464; no payment was received for the 1948 quarter.

Rodney Hull

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Manitoba Seeks Court Ruling On Taxing of CPR Properties

From Our Own Correspondent

WINNIPEG — The provincial government has asked the Manitoba Court of Appeal to determine whether municipalities may levy municipal and business tax on the margin and branch line properties of Canadian Pacific Railway.

Two questions are being submitted to the Court:

1. Does the Canadian Pacific Railway contract ratified by Parliament (which came into effect Feb. 15, 1881) exempt and free from taxation under the Municipal Act of Manitoba, stations and station grounds, workshops, buildings, yards and other properties used for construction and working of

(a) the main line of the railway and

(b) branch lines of the railway constructed in territory added to Manitoba in 1881?

2. Does the contract exempt and free the company from taxation under the Municipal Act in respect of the business carried on as a railway,

(a) on the main line of the railway, and

(b) on the branch lines of the railway constructed in the territory added to the province in 1881.

The Manitoba reference goes further than a similar reference in Saskatchewan on which the courts have already ruled. The Saskatchewan government did not challenge the right of the Dominion Government to give tax exemption in perpetuity to the CPR on its main line. But it did challenge the right of the Dominion to give tax exemption on branch lines and business tax exemption on the company's main line. The Saskatchewan court held in favor of the province on both these counts and CNR has entered an appeal in the Supreme Court of Canada.

Some of the legal points in the Manitoba reference may have already been decided in land grant cases before the Supreme Court. If so, it will apparently not be possible to have the findings reversed except by the Privy Council. In any event, it is expected that both the Saskatchewan and Manitoba references will eventually reach the Privy Council.

Three beauties—near Fenlon Falls

Wonderful Times AT THE KAWARTHA LAKES

There's variety in this chain of lakes reached along No. 7 highway. The pine-studded, rocky islands of Stoney, the sandy beaches on Pigeon, the smiling countryside 'round Chemong—all have their addicts. If you want your own cottage on an island or by the shore, the Kawartha Lakes Tourist Association, Peterboro, Ont., will be glad to help you. There are moderately priced summer hotels, too, on most of the lakes. Good catches of bass and muskies reported most years. Pickerel and lake trout too. Sailing fans and canoeists will find their wants catered to. Plan a Kawartha holiday.

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AWARDED JULY 6, 1949

Weston Smith

PUBLISHER, Financial World

EXECUTIVE VICE PRESIDENT, Financial World

DIRECTOR OF THE ANNUAL SURVEY

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Why the Boom in Investment Trusts?

Diversification For Small Investors Seen as One Factor

By JAMES H. JOYCE

Shares of investment trust companies are becoming increasingly popular with Canadian investors from coast-to-coast. Since the beginning of this year, new shares in open-end funds have been selling at an accelerated rate, according to most dealers.

Canadian Investment Fund, Ltd. reports its outstanding shares stood at a new all-time high total of 3,650,593 at June 30, 1949, reflecting a net increase of 547,292 shares during the first half of this year. This increase was 230% greater than the increase during the corresponding period last year and was the largest six month gain in the company's history.

Sales of Trans-Canada Shares for the first six months of 1949 exceeded a value of $800,000 which was substantially higher than the total value of $583,000 of new shares issued in the whole year 1948, The Financial Post was told.

Corporate Investors Ltd. has issued 9,354 new shares in the three months ended July 31, 1949 (the first quarter of its current fiscal year). This is a higher quarterly rate than last year's average rate based on an increase of 33,013 in the whole of its fiscal year ending April 30, 1949.

Commonwealth International Corp. reports that sales of new shares in July 1949, totalling 79,000, were the largest monthly sales in its history. For the first six months of 1949, it has sold 224,699 shares with the value of $751,315,—37.1% more shares than for the first six months of 1948 when it sold 163,911 shares having a dollar value of $573,052.

In the United States, investment trusts have been growing at a record rate. This year new shares in open-end funds are reported to be selling at the rate of $320 million a year. Last year's volume — the previous record — was $274 million.

Why Increase In Popularity

What are the reasons for this increase in popularity? There are several, and most involve the small investors.

More and more uncertain and concerned about what kind of securities to buy, many small investors are inclined to feel that the managers of investment trusts —whose full time job is investments—should be able to handle their money more wisely than themselves.

Small investors also feel it's one way of obtaining the equivalent of investment counsel at not too high a price. Most investment counsellors are loath to take on the management of any account of less than $25,000 and some insist on an even larger minimum.

Small investors, with limited capital, get diversification in one security plus continual supervision of an investment portfolio. One certificate means keeping track of only one dividend, one income tax calculation and an easier job for executors in settling estates in case of death.

Aiding the growth in popularity is the fact that many investment dealers and brokers, to an increasing extent, are recommending and selling investment trust shares to their clients. Here's why:

The advantages mentioned above are good selling points;

Many feel investment trust shares are a security that they can recommend without too many reservations in their own mind;

Sale of stock of an open-end investment trust will give the dealer a little better commission than a transaction on one of the stock exchanges;

Many investment trust shares sell for relatively small dollar prices per share. This enables small investors to invest surplus funds at regular intervals monthly or quarterly—a fact which has been recognized and used as a selling point by the investment fraternity. At least one Montreal brokerage firm has set up a system for sale of investment trust shares on the installment basis with monthly payments. Most dealers, however, prefer to have their client purchase shares, to the extent of available funds, outright at regular intervals.

While a good argument can be built up as to the advantages to a small investor of the purchase of shares of an open-end fund, whether an investor with more substantial means should buy open-end company shares rather than select his own common stock portfolio is a more controversial question.

There are strong arguments on both sides. Most larger investors willing to give some care to the management of their funds will prefer to tailor their own investment programs and to invest directly after appraising individual company's situations themselves. On the other hand, many larger investors have put at least a portion of their funds in shares of investment trusts.

Two Types of Funds

The question of investing in an investment company is complicated by the fact that they are two types of funds:

(1). The open-end investment trust

(2). The closed-end company.

Most of the current buying interest is in the shares issued by so-called "open-end" companies, which sell their securities continuously through a distributing organization at a price based on the then current value of the underlying securities. They will repurchase their own shares at any time at a price (lower than the selling price) which is also based on the then current asset value.

Open-end trusts may be of two types (a) management type where any security may be purchased or sold at the discretion of the management or (b) fixed type where the names and amounts of the underlying securities are specified in the articles of incorporation.

Closed-end companies do not buy or sell their own shares continuously. The price of their shares is determined by buyers and sellers in the open market. Shares of most of these companies sell regularly at a discount from their asset value.

Certain significant figures for 12 representative trust companies, including both open-end management type and closed-end companies, are shown in the accompanying table prepared by The Financial Post.

Investment Policies Vary

Investment policies also vary considerably from trust to trust as is shown by the percentage of funds invested in cash and bonds, preferred stocks and common stocks. The percentage held in cash and bonds varies from a low of 1.9% to a high of 43.8%; that in preferred stocks from a low of 2.5% to a high of 44.9%; and that in common stocks from a low of 46% to a high of 91.4%. Substantial changes are also shown in these percentages when compared with earlier years (see table.)

At the end of the last fiscal year the percentage holdings of the 12 trusts in the various types of securities show an average of 20% in cash and bonds, 19% in preferred stocks and 61% in common stocks.

Many competent investment analysts disapprove of comparing one investment trust with another because the investment aims of the different trusts can vary so widely.

The quality of management must be investors' first consideration in considering shares of investment companies (except for fixed trusts).

The individual portfolio holdings of the investment company are also of paramount importance to any investor who is considering an investment. Practically all trusts show the division of investments on a percentage basis between bonds, preferred stocks and common stocks. Some tell where the investments are located geographically; others give the percentage investments by industry. Unfortunately, however, many do not publish a complete list of individual holdings each year to enable the investor to judge the individual merits of the securities held by the investment trust.

Incomes Higher

The income of the 12 investment trusts shown in the table has shown a substantial increase in the last two fiscal years. For the 12 the net profit, converted to earnings per common share, shows an increase of 92.5% or from an average of 40c a common share for the 1946 fiscal year to an average of 77c a common share for the last fiscal year.

Yields obtainable from the common shares of these trusts vary widely, ranging, for the 12 shown, from nothing to a high of 7.5%.

One factor for an investor considering investment trust shares to watch is the position of these shares in relation to the 10% credit on income tax proposed for holders of common shares in the last Dominion budget. At present the tax position of holders of these shares is uncertain. If the investment trust pays Dominion Income Tax then they will be entitled to the tax credit if it is made law. Otherwise there no credit. Representations have been made on behalf of investment trusts which do not pay Dominion Income Taxes to allow a pro-rata credit depending on the income which they themselves receive from Canadian common stocks to be passed on to their own shareholders. Position of investment trust shares and of this proposed amendment will no doubt be settled in Parliament this fall.

The Record of 12 Investment Trusts

Name of Trust:	Fiscal Year	(Cost) $	(Mkt. Val.) $	% to Cost	Represented by Cash, Bonds %	Pref. Stk. %	Com. Stk. %	Net Profit $	Earn. per Com. Sh. $	Com. Divs. $	Recent Price $	Yields %
Can. Gen. Invest's Ltd. .... Dec. 31,	1948	9,481,612	13,849,401	146.0	5.5	44.9	49.6	708,460	1.18	0.97½	15⅝	6.24
	1946	8,752,288	12,421,512	133.3	7.9	44.1	48.0	562,899	0.94	0.84	....	...
	1937	6,222,390	7,262,346	116.7	12.3	37.5	50.2	397,831	0.66	0.50	....	...
Can. Investors Corp. .... Jan. 31,	1949	1,142,520	1,152,547	100.9	43.8	23.4	32.8	48,708	0.40	0.45	8½	5.29
	1947	1,068,146	1,181,208	110.4	36.3	27.6	36.1	44,376	0.45	0.40	....	...
	1938	1,328,308	893,337	67.3	13.0	7.4	79.6	45,807	0.46	0.40	....	...
Can. Invest. Fund .... Dec. 31,	1948	12,228,686	13,875,640	113.5	17.2	2.5	80.3	711,001	0.25	0.22	4.90	4.49
	1946	9,441,082	11,285,897	119.5	1.2	1.0	97.8	509,776	0.21	0.20	....	...
	1937	5,557,064	5,121,485	92.2	...	...	...	318,210	0.23	0.20	....	...
Can. Inter. Invest. Trust ... Feb. 28,	1949	2,375,728	3,190,000	134.3	16.0	29.2	54.8	111,124	0.31	...	5.25	...
	1947	2,339,259	3,408,000	144.5	15.7	27.1	57.2	89,053	0.31	...	....	...
	1938	4,267,779	4,740,000	111.1	27.8	21.4	50.8	88,517	0.03	...	....	...
Commonwealth Internat'l .. Dec. 31,	1948	3,899,232	3,800,841	97.5	9.9	4.6	85.5	194,577	0.20	0.18	3.48	5.17
	1946	1,972,028	2,044,384	103.6	6.1	10.0	83.9	79,290	0.16	0.16	....	...
	1937	546,386	427,500	77.9	6.2	1.9	91.9	36,930	0.21	0.17	....	...
Corp. Investors .... Apr. 30,	1949	1,216,938*	1,747,628	143.6	1.9	34.9	63.2	87,218	0.39	0.36	8.40	4.29
	1947	892,097*	1,619,487	181.5	4.4	50.4	45.2	61,174	0.34	0.22	....	...
	1937	1,189,803*	1,393,245	117.2	4.4	29.6	66.0	35,580	2.00	0.28	....	...
Dom. Scottish Invest. .... May 31,	1949	3,788,827	4,379,000	115.6	34.1	19.9	46.0	200,083	0.87	...	4.00	...
	1947	3,567,954	4,499,000	122.9	31.9	19.3	48.8	130,486	0.09	...	....	...
	1937	3,468,020	3,610,133	104.1	7.9	30.1	62.0	138,309	0.11	...	....	...
Economic Invest. Trust .... Mar. 31,	1949	2,934,215*	3,616,000	123.2	24.8	15.5	59.8	146,777	3.67	2.50	41.75	5.99
	1947	2,842,626*	3,715,000	130.6	30.9	13.4	55.7	86,006	2.20	2.00	....	...
	1938	2,824,625*	2,108,945	74.7	9.8	31.2	59.0	89,361	2.84	2.00	....	...
Gt. Brit. & Can. Invest. .... Dec. 31,	1948	6,194,822	6,782,774	109.5	14.0	23.5	62.5	197,630	0.10	...	0.60	...
	1946	6,382,313	7,010,881	109.8	13.4	22.2	64.4	132,608	0.13	...	....	...
	1937	7,179,274	3,697,200	51.5	...	...	...	72,201	0.37	...	....	...
Inv. Bond & Share Corp. ... Dec. 31,	1948	3,226,700	3,285,249	98.8	7.5	1.1	91.4	94,623	0.10d	...	1.90	...
	1946	1,981,415	2,027,486	102.3	9.7	9.2	81.1	20,023d	0.89d	...	....	...
	1937	2,774,468	1,268,999	45.7	20.4	20.0	59.6	1,224	...	...	....	...
London Can. Inv. Corp. .... Dec. 31,	1948	7,422,182	6,990,488	94.2	43.0	9.0	48.0	101,292	0.18	...	1.00	...
	1946	8,338,438	8,404,358	100.8	25.6	13.8	60.6	96,232	0.10d	...	....	...
	1937	9,049,048	5,294,047	58.5	13.5	13.4	73.1	96,871	0.15	...	....	...
United Corp. Ltd. .... Dec. 31,	1948	11,051,816	13,347,482	120.8	25.5	14.7	59.8	446,846	1.54	1.30	20.00	7.50
	1946	10,110,379	14,057,193	139.0	15.0	18.3	66.7	321,626	1.01	0.75	....	...
	1937	7,405,531	8,368,561	113.0	25.4	20.2	54.4	205,077	0.45	...	....	...

*Cost less reserve. ‡Based on 1948 dividend.

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CITY OF VANCOUVER
DEBENTURES FOR SALE

SEALED TENDERS will be received by the undersigned up to 2 p.m., Tuesday, August 30th, 1949, for the following City of Vancouver Debentures amounting to $504,744.53.

By-Law	Purpose	Amount	Int. Rate	Term	Maturity
LOCAL IMPROVEMENTS (PROPERTY-OWNERS' SHARE)					
3126	Cement Walks ..	$ 57,904.13	3¾%	15 years	15th Sept., 1964
3127	Pavements	446,840.40	3¾%	15 years	15th Sept., 1964
	TOTAL	$504,744.53			

Debentures to be dated September 15th, 1949.

Interest payable half-yearly on the 15th days of March and September.

The Debentures are secured by local special rates on the properties benefited and are guaranteed by the City at large.

Provision can be made for registration of principal.

These Debentures are payable as to both principal and interest at the Bank of Montreal and in Canada only.

Parties tendering are required to state the net price for Vancouver payment and delivery of the Securities. If desired delivery will be made elsewhere at the purchaser's expense.

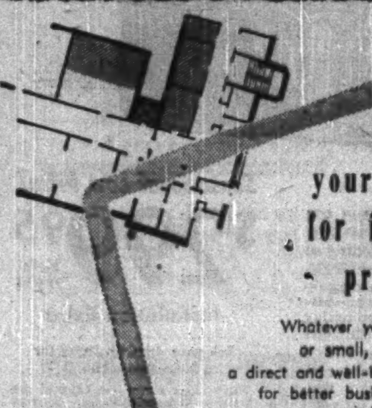
No proposal for less than all of the bonds will be considered.

Envelopes containing the bids should be marked "Proposal for Bonds."

A certified cheque payable to the City Treasurer for $5,000.00 must accompany each tender as a guarantee of good faith on the part of the bidder. No interest will be allowed on the good faith cheques.

The right is reserved to reject any or all bids.

FRANK JONES,
City Comptroller.



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AMERICAN CYANAMID CO. has issued 63 common shares upon conversion of 27 series A cumulative preferred shares, according to Chase National Bank of New York. This reduced outstanding preferred to 2,737,795 shares.

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What's New

New Products, Applications, and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Shuffleboard Set

Junior-sized shuffleboard set, made entirely of Tenite plastic by Chicago firm, can be used for both indoor and outdoor play. Eight disks are red and blue, 4 in. diameter, four shovels each 38 in. long. Colors said to be permanently chip-proof, can't be worn off by abrasion or outdoor exposure.

* * *

Traveling Hangers

"Fold Away" hangers designed for travel use fold down to 4⅞-in. by 7-in., open to 16-in. width, New York maker states. In colored plastic.

* * *

Novel Glove

"Money Mitt," novel type of women's gloves introduced by New York company, has almost invisible zipper on palm of left hand providing access to a built-in pocket large enough to contain change, key and a bill or two. Thin zipper has new type automatic lock to provide safety.

* * *

Addressing Machine

Addressing machine offered by Illinois firm requires no stencils, no plates, no ribbons, and no ink. Said to give clear, sharp typewritten addresses on envelopes, post cards and all mailing pieces; 2,000 to 2,500 addresses per hour. Original addressing list is typed on roll of special paper. This Ad-roll provides for 500 names and addresses, takes up 1½ in. by 3½ in. Can be used once a week for two years, maker states. Operated manually, features automatic ejector.

* * *

British Toaster

New fully automatic toaster manufactured by British firm is being distributed across Canada by newly-formed British subsidiary. Features patented air-cooling, patented trip release, completely silent thermostatic control and heavy chrome plate at competitive price.

* * *

Automatic Cycle Pump

"Nupal," new cycling accessory claimed to enable cyclist to ride indefinitely on punctured tire, developed by English firm. After puncture, rider removes valve and inserts Nupal. This brings a shock absorber spring into contact with lower wall of deflated inner tube. As cyclist pumps tire, spring is lifted from inner tube wall by inflation, will only make contact again when tire begins to deflate. Pressure exerted on shock absorber spring at each revolution of wheel brings perpetual pump contained in Nupal cylinder into action and steady stream of air is fed into the inner tube until the running air pressure has been restored. When shock absorber no longer touches the inner tube wall the pump stops operating.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Buoyant Jacket

Life jacket combining buoyancy and warmth with lack of bulk is being made by English firm. Made of barathea, interlined with tropal, a light kapok material woven into blanket form of known and consistent density. Jacket claimed to be light and comfortable to wear, does not impede movement; will support fully-dressed man wearing sea-boots.

* * *

Language Recorder

Language recorder offered by Chicago firm for use in correcting speech defects, also trains the ear in music and dramatic roles. Student can use ear-phones and listen to language; then hear play-back of his own voice. Instructor can also listen.

* * *

Aluminum Crane

First overhead traveling crane in the world made of aluminum produced by Canadian company. For use in factories and power-plants for lifting and carrying heavy articles, new crane is of welded aluminum construction and can handle same weight as much heavier steel crane, maker states. Said to be more economical to operate and much quicker and easier to handle than conventional steel model.

* * *

Asphalt Shingle Paint

"Asphalt-Seal" is a waterproof finish for painting and weather-proofing asphalt side wall and roof shingles offered by New York firm. Developed especially for use to restore and beautify dirty, weatherbeaten insulated brick siding, manufacturer claims it stops bleeding and crumbling, by sealing surface, leaving colorful waterproof finish which will withstand atmospheric and weather conditions. Comes in one and five-gallon containers, ready mixed for immediate application, in three light and four dark colors.

* * *

Pre-Cementing

Synthetic rubber cement, "H-511 Ubabond," makes possible the pre-cementing of many materials. Precemented surfaces can be joined together at a later time, on an assembly line or after shipping to point of use, without loss of adhesion efficiency, Massachusetts maker states. Adhesive dries to a non-tacky condition within 15-30 minutes after application. When surfaces are to be joined together, reactivation can be accomplished by heating the dead surfaces under infra-red, steam or dry heat, or by brushing or spraying with solvent.

* * *

Mothproof Coating

"Cedar-Sprae," liquid spray for coating interiors of closets, chests and other containers for clothing and textiles is said to impart fragrance of cedar to any ordinary closet or container surface to make it insect and moth repellent. Low pressure aerosol container enables rapid application. Can also be sprayed on inside of paper garment bags or ordinary paper bags often used for storing small articles. Dries in a few minutes when sprayed on wall paper; 2-4 hours on some wood surfaces, New Jersey maker states.

* * *

Eliminates Bright Spots

New interior coating for frosted light bulbs is said to improve appearance and reduce glare without sacrificing light output. Coating of silica provides greater diffusion of light and cleaner, whiter appearance, eliminating glare or bright spots, Massachusetts maker states.

* * *

Button-Sewing Machine

Button-sewing machine featuring finger-tip adjustment for 8, 16 or 32 stitches to the button produced by New York firm. Instant adjustment can also be made for two-hole or four-hole buttons. Machine uses one treadle which is pressed to start operation. After stitching is complete machine stops and clamp automatically returns to position and receives next button. Thread ends are clipped automatically close to work. Maker claims smooth, quiet operation resulting from noiseless stop-motion, improved clutch mechanism, and operating oscillating lamp.

* * *

Key Locking Device

Key locking device designed for use in attaching any kind of connection to power shaft is said to reduce greatly time spent by mechanics in making connections. First used for attaching flange to propeller shaft of inboard motor, the product will securely lock any type of hub, wheel or other connection to the shaft, Illinois maker states. Features self-locking nut that eliminates pinning nut to bolt, shaft or axle.

BOOKS FOR BUSINESSMEN

THE AMERICAN SOCIAL SECURITY SYSTEM. By Eveline M. Burns. Published by Houghton Mifflin Co., Boston. 460 pages. Price $4.50.

In this volume is set down for the first time a comprehensive and up-to-date picture of the highly diversified and complex American social security system.

The author, who teaches at the New York School of Social Work, Columbia University, has given evidence of a vast amount of research in presenting a clear picture of the main characteristics of the various programs in operation in different states, the differences between them and their relation to each other.

The book starts out with an analytical picture of the American social security picture as a whole to give the reader a broad perspective and framework into which to fit the more detailed discussion of individual programs.

From this starting point the author progresses into an analysis of four major sets of provisions — eligibility, nature and amounts of benefits, methods of financing and administrative organization.

As Miss Burns says in her preface: "This undertaking was far from modest. Not only are several different techniques such as social insurance and public assistance in simultaneous operation but also the country has followed the example of others and developed special programs for different types of risk and groups of persons. In addition the character of many of the programs is determined by as many as 51 different jurisdictions and the extent of legislative and administrative change in the last 12 years has been staggering."

In the American Social Security System, Miss Burns has succeeded in taking all these complexities and presenting in lucid, easy-to-understand fashion an invaluable work of reference.

BUILDING FOR THE MODERN MAN. Symposium edited by Thomas H. Creighton. Published in Canada by S. J. Reginald Saunders & Co., Toronto; 202 pages; price $4.50.

Widely considered an important reference work on design, it's mainly for the specialist, for the architect and town planner, the civil engineer and industrial designer, the artist, full-time aesthete, philosopher and commentator on the era. But there are chapters to instruct the practical builder as well, and some that may enlighten and hearten the ordinary potential home buyer who may be yearning for faster technical and economic progress in housebuilding. Practical men and consumers would look first at Gordon Lorimer's comments on building method, at Walter Gropius' ideas about "prefabrication," at Baermann's discussion of distribution problems, and Theodore McCrosky on what he calls "administrative limitations." The book reports 45 other men and topics — including architecture "greats," Frank Lloyd Wright, Richard Neutra, George Howe, Sigfried Giedion—from 1947 talks at Princeton University. Editor Creighton is an architect and author, edits Progressive Architecture.

UNEMPLOYMENT INSURANCE IN GREAT BRITAIN, by Sir Frank Tillyard; published by Thames Bank Pub. Co., London, Eng.; 233 pages; price, 21s.

"The history of unemployment insurance legislation is a typical example of the British method of experimentation," Sir Frank states in his preface. He has put the facts and theories behind these experiments into this compact record of the 1911-'48 period of British history to produce a volume which will be of extreme interest in its field. He is emeritus professor of commercial law, University of Birmingham.

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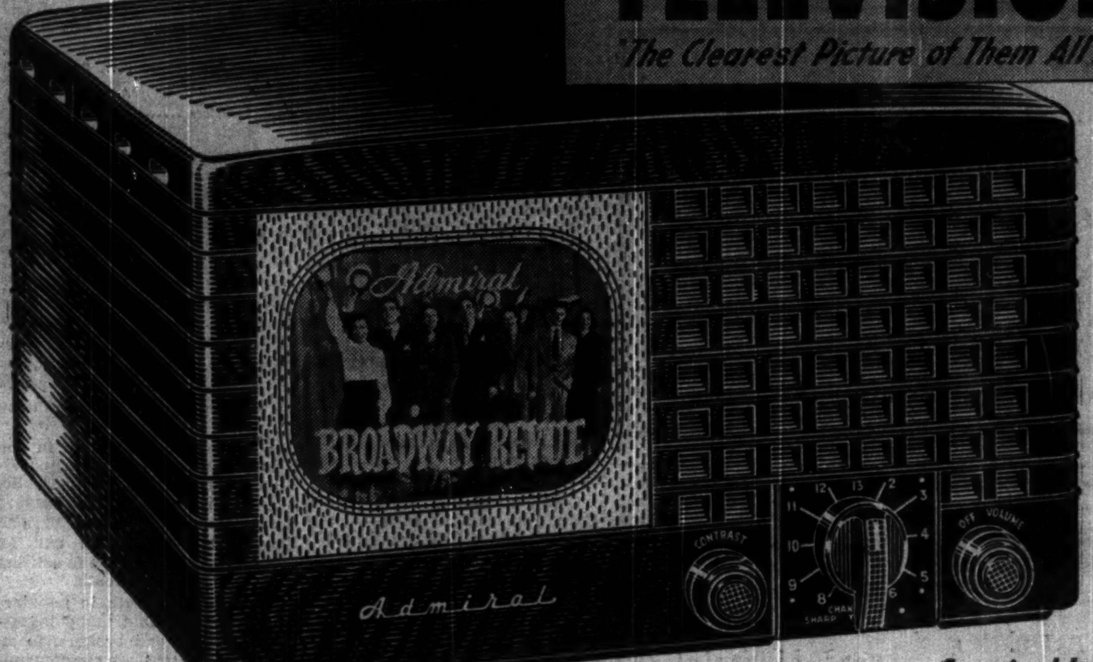

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Enjoy the brilliant performance and rich, clear tone of this new Admiral portable *wherever* you go! Plays anywhere, *instantly*, on AC or DC as well as batteries. Easy to carry ★ Light, sturdy construction ★ Beautiful, two-tone styling in Lustrex plastic ★ Emperor Red with French Gold trim.
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German Skill and Process For N. S. Cutlery Industry

Will Pictou become Canada's Sheffield or Solingen?

Nova Scotia's newest industry, announced by Trade & Industry Minister Harold Connolly, may make it so. It's Pictou Cutlery Ltd., newly organized, with directors including W. A. Broidy and H. P. Harper, of Pictou, Col. A. H. Rogow, of Boston, Mass., and Victoria Beach, Annapolis county, and G. D. Raymond, Yarmouth.

Reico Importing Co., Quebec City, Dr. A. Reich, president, with Canada-wide facilities, will introduce the new company's products to the domestic market. Later it's hoped export markets in hard currency areas will be developed.

Knives for household and commercial use will be of a quality previously found only in imported articles, Mr. Connolly said, while the price will be competitive with both domestic and imported goods. Later, Pictou may produce pocket knives, carving sets and other special items for general use and will introduce a line of quality knives for industrial purposes, such as fish knives, linoleum, cobblers' and putty knives.

Mr. Connolly said the provincial government has facilitated purchase of a building and has assisted with a small loan but that the operation is essentially private enterprise. Individuals and organizations in Pictou co-operated in securing the building and raising funds for the enterprise.

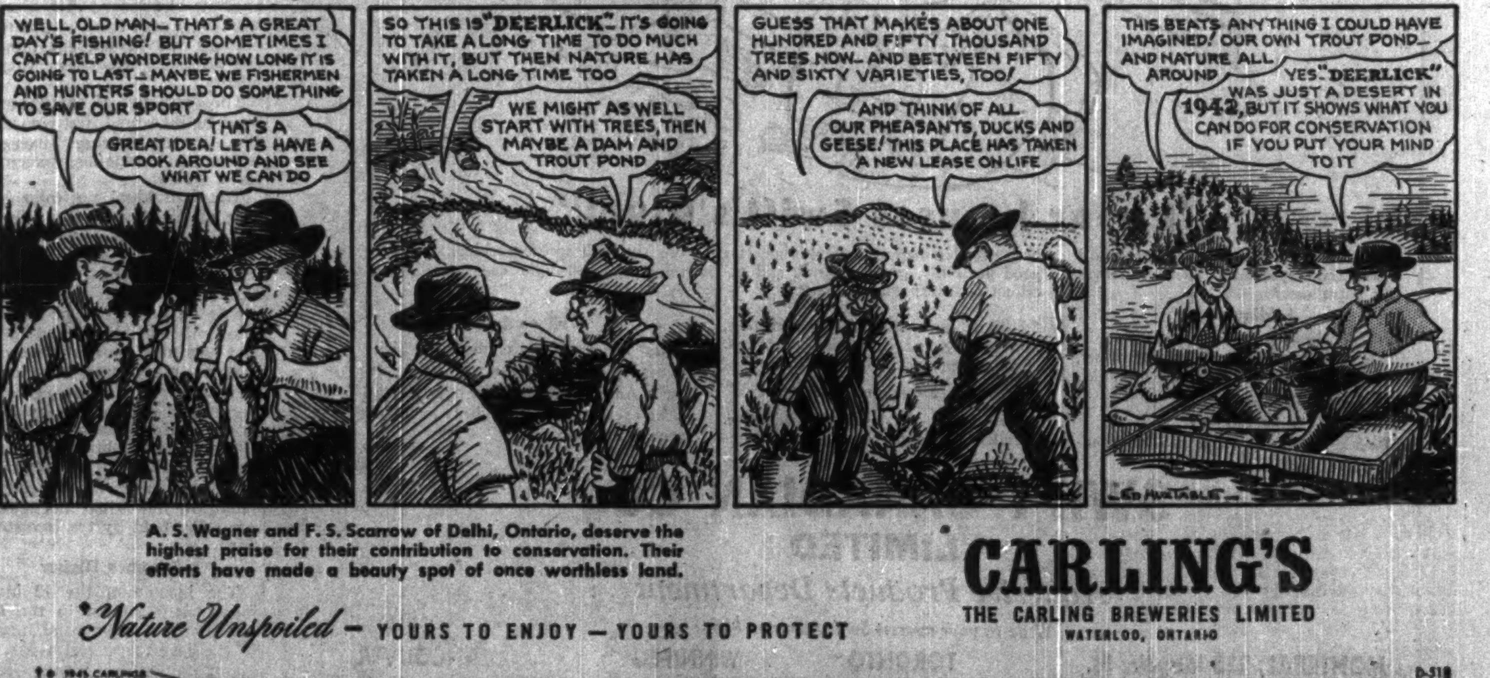
Specialized techniques to be applied have been brought from Germany by the general manager, a cutlery engineer with long experience in management of cutlery plants and who is now living in Pictou. With him will be a few selected key workers with specialized skills who will teach the bulk of employees, to be hired locally.

Said Trade Minister Connolly: "Pictou Cutlery is a happy blend of European technical skill and North American business experience, with sound market prospects."

FLEURY-BISSELL LTD. advise that the option held by certain executive officers to purchase 2,400 at $6.75 a share by Aug. 13 has not been exercised and the option is terminated.

CITY OF FORT WILLIAM, Ont., has sold a new issue of $1,126,400 3¼% debentures, dated Aug. 15, 1949 and due Aug. 15, 1950 to 1969 to McLeod, Young, Weir & Co. at a price of $99.271 or a cost to the city of 3.33%. Proceeds are for hospitals and schools.

CARLING'S CONSERVATION CORNER



A. S. Wagner and F. S. Scarrow of Delhi, Ontario, deserve the highest praise for their contribution to conservation. Their efforts have made a beauty spot of once worthless land.

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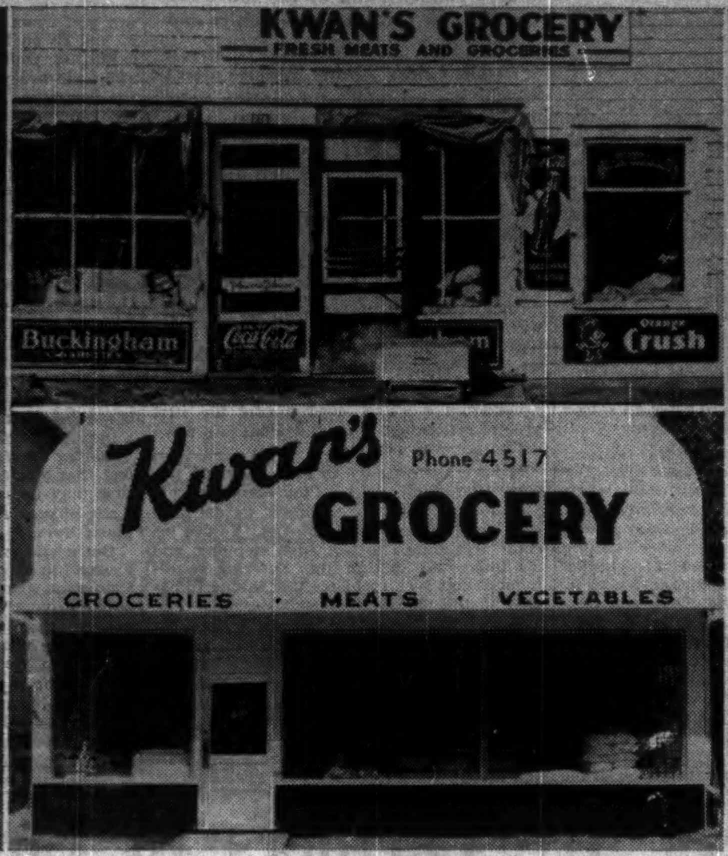
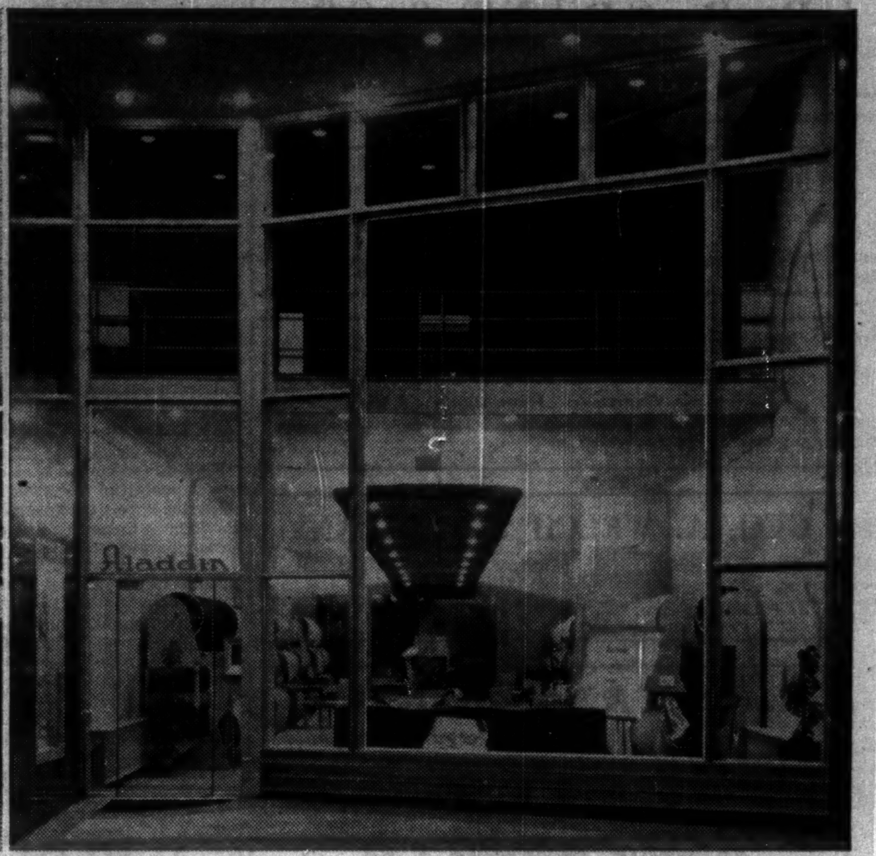
The Financial Post

Vol. XLIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, August 27, 1949 | Fifteen Cents an Issue, Five Dollars a Year | No. 35

Glass—Today's Magic Money-Maker In Merchandising





Here are some typical shots of the new-style store fronts now going up in big city, small town, village alike. Left: modernized variety chain store. Centre: before-and-after views of rural grocery store. Right: two-story furniture store.

How New Glamour Store Fronts Are Putting Added Zip In Sales

By PAUL DEACON

What's in a store front?

Mostly glass, probably—if it's just been modernized.

From $2,000 to $5,000 of the owner's hard-earned cash—if it's an average store.

Increased sales—if the renovation is as effective as retailers claim.

With the return of competition and the constant pressure to keep merchandise moving, many a merchant has been reviewing his selling progress, dreaming up new ideas to build up his share of available business.

As part of their increased selling effort, retailers all over Canada have been perking up their establishments inside and out. They're out to catch the customer's eye, cash in on impulse buying and the preference of shoppers generally to do business in pleasant, attractive surroundings.

What do these retailers think of their glamourized store fronts? Has the extra investment paid off? Here's what some of them have to say:

"Gross has increased by 300%."

"Farm trade has steadily increased."

"We're bringing back into circulation an old section of town and making it profitable."

"Floor area was increased only 25%, sales shot up over 100%."

That's the kind of story any store owner would like to tell when he assesses the results of his latest merchandising brainwave. Especially when he's backed it with a substantial amount of cash.

The new store fronts have been brightening up business sections all across the country, in various shapes and forms, for cash outlays of from $500 to $50,000 and up. In dress shops, butcher shops, restaurants, shoe stores, grocers', jewelry stores, variety stores, tailors' shops; in big chains and small independents; in luxury shops and five-and tens.

The changes have been carried out along different lines, according to the type of store. But all of them have in mind the same general goal—more customers, greater sales.

Here are some case histories as told to The Financial Post by Hobbs Glass Ltd., London.

New-Style Variety Stores

One of the variety chains which has modernized its stores on a broad scale is Metropolitan Stores Ltd., London, Ont. This company started late in 1946 to convert to the new-type full-view fronts, beginning in Moose Jaw, Sydney and Woodstock. Quebec, Chatham and Halifax were done in 1948. All these stores showed results beyond the company's expectations, and Windsor, Yarmouth, Ottawa and St. Thomas stores have been finished this year, with Orillia and others to follow.

President and General Manager R. C. Wallar is sold on the new-style stores. He says that sales statistics have been difficult to analyze from the standpoint of increased business due directly to the new fronts, because in most instances the store changed its location. However, he says that in the Quebec store, where floor area was upped only 25%, sales jumped over 100%. Staff, managers, supervisors and management are all enthusiastic, and more important, cash registers keep ringing up sales increases, he says.

Location Big Factor

Location has a significant bearing on the final job. If the store is in an outlying district where taxes are low, it's possible to spread a little, offer adequate parking facilities, pleasant surroundings, leisurely shopping, glamourous sales atmosphere, accessibility.

If it's downtown, the idea is to attract attention and hold it sufficiently to present the goods well and induce the customer to come in.

They say it takes the average person less than 10 seconds to walk past the average 20-30 ft. store front; and less than half that time to drive past. It takes fast action by the store to do its required job in such a short time. Main thing is to highlight the merchandise rather than the store front itself, keep the display simple so that the customer isn't confused.

Present trend is to separate the customer from the interior of the shop only by large sheets of glass—almost like putting the goods back in the open marketplace of by-gone days.

If it's a luxury shopping area, the store should suggest luxury. If people in that section have to do their shopping at lunch hour or are generally in a hurry about the whole thing, the store should suggest rapid service. There's no point in making the store too opulent-looking if the neighborhood and shopping pattern does not warrant it.

Some retailers have taken a considered gamble on changing location—and won. Jim Robinson, a hardware merchant at Aylmer, Ont., had a spot on the main street but was cramped for space and had to move. In shifting to a secondary shopping area, he was worried about losing trade. He also was in some doubt about the type of store front to build because he felt too smart a front in a rural community might discourage some of the farm customers.

In the end, a compromise was reached and a simple but modern design chosen. Now he feels the layout could have been much more elaborate with safety, because the farmers have been doing a steadily increasing business in his store and they really like the new front.

Owner Robinson says that now it looks as though a new shopping area has been started, with plenty of parking space and all new stores.

One of the classic cases in the last year or so was Sheppard's Grill at Gananoque, Ont., a summer tourist centre. Its old-style front was replaced with a modern, open one for about $1,500, and the interior brightened with modern lighting, new counter and up-to-date furnishings. Gross ran 300% higher the following year, and the staff had to be increased from 3 to 23.

Generally, with so much emphasis being placed now on the open type of front which brings the whole interior of the shop into view, renovation of the inside has accompanied improvements to the outside of the store.

It's not exactly a subject for wonderment that some store owners have been enthusiastic about their shiny new places. When you see sales climbing, hear that cash register ringing out the sweet song of accelerated sales it's easy to agree that the investment in glamour was sound.

Maybe some of them haven't been so lucky. But it's a good bet that all of them had to do a lot of down-to-earth, dollar-and-cents calculating before they decided to renovate.

They've had many doubts: Maybe the customers won't like it. Even if they do, will they buy more, will more new people start dealing at the smarter store? If they buy more, will the increase pay for the cost of the alterations and leave something extra as a reward for the increased risk?

In a great many instances, the premises are rented. The landlords pay for a substantial part of the improvements. But tenants usually have their rentals upped $20 or $30 per month or more, depending on the extent of the face-lifting involved.

An important income tax angle is that the cost of a store front renovation may be written off over the life of the lease.

As mentioned earlier, the merchant has to adapt his store design to the particular type of operation. If it's a butcher shop, he'll stress cleanliness and coolness.

If it's a women's wear "shoppe," emphasis is on style and pastel shades, carpets and spotless counters and showcases.

The wide-open fronts of the supermarkets reveal the massed shelves of foodstuffs, invite the housewife to go there because presumably she'll be able to get everything she wants in the one place.

In a jewelry store, among other things, you have to make sure you've got special-strength glass to protect the more valuable items on display.

Furniture stores often go in for long deep show windows containing bedroom and dining room suites complete with lamps and table settings and so on.

The extra-large windows mean that without cluttering up the display, the stores are able to show a fairly complete range of lines to these husband-and-wife teams on their leisurely after-hours window shopping tour.

At the same time, because furniture isn't ordinarily a cash-and-carry item and since it requires only a very small sales staff, the relatively large proportion of the total floor space taken up by the window display doesn't affect store efficiency adversely.

Next to the type of product, probably the most important consideration in planning layouts is cost. Average store fronts nowadays run about $2,000-$5,000, with the latter figure fairly common by the time the old front has been torn down and maybe a support changed here and there.

Reproduction of a New York store's two-story front, using substitutes wherever possible in order to keep the cost down, involved a bill of $17,000 for a Toronto merchant.

Some jobs have run as low as $500, while remodeling inside and out of a three-story lingerie shop, with the bulk of the changes confined to ground floor, cost one firm $100,000.

Compromises have to be made all along the line when planning the design, and the money problem has accounted for many of these compromises. Another factor, of course, has been that in many of the rented store sites, existing columns and other conditions have to be left as they are.

Design of the new fronts is a result of combined efforts by architects, glass companies, retailers, display companies. The glass companies do a lot of the work themselves, solicit a good deal of the business originally.

Although stores are blocked off from 4 to 6 weeks or longer during the alterations, the inconvenience can readily be offset by the astuteness of the retailers. Pre-renovation sales, business-as-usual sales, grand reopening sales entice bargain hunters into the premises.

One operator found renovation time so convenient for staging "special" sales that he asked the contractors to slow down, let him ring some more changes.

One glass company drew the line, however, when a merchant, in his radio advertising, announced that he was holding a another special sale because he needed money right away since the contractors were too slow. The glass company thereupon refused to hold back any longer, finished up the job quickly.

This Firm Made Workers Partners In Enterprise

Here's Unique 'Share-the-Wealth' Plan To Meet Labor Problems

By HOWARD GAMBLE

In the Shawinigan Falls plant of Wabasso Cotton Co., a few weeks ago, Jeannette burst into tears. She had been reprimanded by a workers' committee for neglecting her machine. But not by the "boss." The verbal spanking came from her fellow-workers — and they did not spare the words.

Jeannette knew the reprimand was merited; knew, too, that her fellows were only dealing out justice. Under the Share-of-Production-Pay plan in operation at Wabasso Jeannette, by her carelessness, had taken about $400 out of her own pocket and out of the pockets of her fellow-workers.

The workers made certain she knew about it. A resolution was passed by the workers' committee which told Jeannette that future neglect might mean she would not share in supplementary earnings.

This is the kind of discipline workers at Wabasso's Trois Rivieres, Shawinigan and Grand'Mere plants impose on each other.

Workers at Wabasso are not different from those in other Canadian plants but they are becoming as cost and quality-conscious as the fussiest cost accountant. And with good reason. Every cent they save is more money for them. And they share in every dollar of additional value they create.

Take bobbins used in cotton spinning. It used to be that the company had to replace about 12,000 bobbins a month — cost $1,440 Now bobbin replacements are down to 8,000, a saving of $480. And the workers get 47.61% or $228.52 of what they save on this one item.

Absenteeism has been reduced since the plan was introduced. In one quarter it was cut by 4,000 hours. Employees think twice before staying away from work — for any reason. They know that time off means less to share.

Spurs Interest in Job

The Wabasso plan is not an incentive plan in the traditional sense. It is not based on measuring individual output or counting physical units produced and then comparing performance against some arbitrary standard.

It is a businesslike, clear-cut method of sharing the production values with employees.

At Trois Rivieres, members of the employees' committee told me they and other workers in the plant had much greater interest in their jobs since the plan started five years ago; that most of them had improved their living standards — money in the bank, a house, home improvements.

The local Catholic Syndicates at the two Wabasso plants are going along with the company and employees in giving the plan a fair trial.

Bishop Pelletier of the Trois Rivieres diocese invited Abbe Gerard Dion of Laval University to study the plan. Abbe Dion declared that the plan "is the biggest event in industrial relations in Quebec's history." He added that it was a courageous solution to the industrial relations problem.

William J. Whitehead, Wabasso's managing director, is enthusiastic about it. Tall, grey-haired, businesslike, Mr. Whitehead has become something of an evangelist for what he considers can be a new era in management-employee relations. He gets in his missionary work at every opportunity — on trains, in his home town, wherever he happens to be. He has given numerous talks on the subject before audiences which in some cases were sceptical, to say the least.

Simple Basic Principle

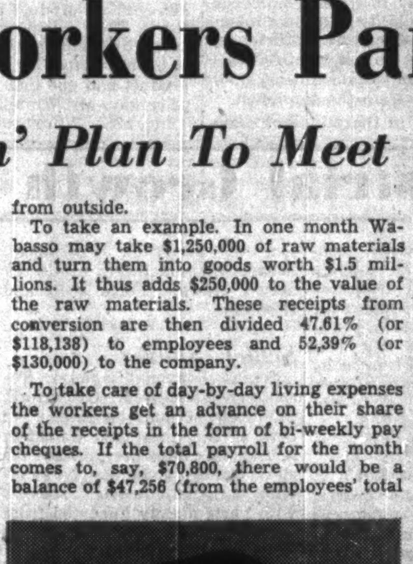
Basic idea of the plan is simple. It consists of the tool-owners (shareholders or company) and the tool-users (workers) taking an agreed share of the values both of them produce together. Mr. Whitehead describes it as "making money with each other instead of out of each other." At Wabasso the employees get 47.61%, the company 52.39%.

These production values, or the kitty which is split between the company and workers, is the value which is added to the raw cotton by spinning, weaving, finishing and all the other operations.

To determine the size of the kitty, or, as Managing Director Whitehead terms it, "receipts from conversion," the company deducts from what it takes in the cost of its raw materials and anything it purchases from outside.

To take an example. In one month Wabasso may take $1,250,000 of raw materials and turn them into goods worth $1.5 millions. It thus adds $250,000 to the value of the raw materials. These receipts from conversion are then divided 47.61% (or $118,138) to employees and 52,39% (or $130,000) to the company.

To take care of day-by-day living expenses the workers get an advance on their share of the receipts in the form of bi-weekly pay cheques. If the total payroll for the month comes to, say, $70,800, there would be a balance of $47,256 (from the employees' total of $118,138) to be distributed in the form of supplementary earnings.



WILLIAM J. WHITEHEAD
Wabasso's Managing Director

In this case it would represent an addition of more than 50% to base pay. In some quarterly periods extra earnings have been as high as $400 for employees whose average basic weekly wage is $25.

Surplus earnings are distributed to the workers quarterly. This means that since the plan has been in operation many employees received comparatively large sums — $150, $200 — for the first time. This has started many on savings programs, others have used supplementary earnings to purchase new homes and home equipment.

Mr. Whitehead points out, however, that these improvements in living standards may be the result of the method of distributing supplementary earnings and has been one of the social but secondary benefits of the plan. If, for example, the bonus payments were made every week or every two weeks, they might not produce such social and economic benefits.

How It All Started

Mr. Whitehead relates that the plan actually started to take shape at Wabasso in 1937 after he read a brief item in a business publication on Allen W. Rucker, management consultant, the man who developed the plan now in operation at Wabasso and a number of other plants in U. S. Wabasso had just been through a stormy session with labor; Mr. Whitehead says at this point he had become fed to the teeth with the yearly arguing and bickering over wages. He realized that while the union was making arbitrary demands on the company he was forced to make equally arbitrary decisions in rejecting their demands.

After his talk with Rucker and sorting out his own experiences he arrived at this principle:

"To satisfy the workers you must find a method of dividing the benefits derived from production in a manner that is exact, continuous and unarbitrary. The employee must be able to see how his share is arrived at and be satisfied that he has been treated equitably."

That is the effect at Wabasso. Each quarter employees get an audited statement showing the total receipts from conversion, the employees' share and the company's share. The auditor, who is appointed by the employees' committee is a well-known accountant who does work for public, labor and religious organizations. Employees now are becoming expert in measuring month-by-month fluctuations in the plant operation. They can make pretty accurate estimates as to what their share of supplementary earnings will be in any given quarter.

But just as important as workers knowing what they get, says Mr. Whitehead, is their understanding of why they get it. When he was developing his Share-of-Production-Pay plan Rucker discovered the cold, inescapable fact that for at least half a century workers have been getting a constant percentage of the values they added to raw materials. The percentage differs among industries and companies, but for any one company the percentage has stayed remarkably steady through boom and depression.

And this despite all the clash and upset of wage cuts, wage increases, strikes and commotion.

Rucker worked out a method to apply the fixed ratio to insure both workers' and capital's share mathematically.

Before the plan was ever put into operation at Wabasso a thorough search was made of the company's books to find out what proportion, over the years, had gone to labor and what part to the company of the values produced.

It was found that the ratio did not vary more than one or two per cent and that the average was 47.61% for workers and 52.39% for the company.

Out of its 52.39% the company must pay executive salaries, taxes, workmen's compensation, administrative expenses, insurance, capital losses, freight, cash discounts, machinery replacement costs, interest on debt. What's left is profit.

Workers get their share in the biweekly pay cheques and the balance is paid quarterly as supplementary earnings. Employees can, if they wish, use part of these earnings for pension and health plans or other types of social security benefits.

At all Wabasso plants a "Receipts-from-Conversion Pay Plan Committee" has been

(Continued on page 12)

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How to Retire — and Enjoy It

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VIII—Don't Become the Retired Office Bore

By RAY GILES

Better to plan too much to do in your first year of retirement rather than too little. So advises Ray Giles in this, the final installment of The Post's condensation of the much-discussed new book, How To Retire and Enjoy It.

Adds Giles: Above all else don't make the mistake of haunting your home, your former place of business in that first year; plan a full new program for living and live up to it.

A friend who is about to retire mentioned it in a letter to an old pal in Texas. Back came the advice, "Watch out, Bill, that you don't become a lady's maid! Too many of the men I know who have retired get to dusting the furniture, doing the marketing, sweeping the sidewalks, and even hanging out the wash."

So this Texan began to think more about how he could be "with the boys." He became more active in local affairs and went regularly to meetings of his fraternal order. He found new companions with whom he could go fishing, play poker, and take in the horse races. He put in more thought on important matters of local government and went to meetings prepared to speak out his mind. That made him feel like a man again, and the blues evaporated.

If haunting your home can be a mistake, haunting your former place of business can be an equally great blunder. Most of us have seen the retired man who makes a nuisance of himself by frequenting his one-time office to reminisce about the good old days, offer advice that's behind the times, hang around until his old associates are at their wits' end how to get rid of him.

So here is a cardinal rule for retirers: Don't inflict yourself on old associates. It's much better to see their faces beam when they meet you unexpectedly and have them invite you to lunch to talk over what you've been doing since you left.

There's still another kind of ghostly wandering. Lingering in stores and trying to make conversation with the clerks and proprietors, haunting public places like the firehouse or police headquarters to talk with the boys, or dropping in on local officials to harass them with chatter when they have no time to spare.

The remedy, clearly enough, is to have a little too much to do rather than a skimpy schedule.

It helps to understand what is back of all this. Sheer restlessness may account for your sudden interest in domestic chores. The old-age trait of looking to your salad days as the happiest period of life may send you back to the old stamping ground to visit and bother former comrades. So crowd your new life with so much to do, so many interesting, new, and worth-while activities that the past loses its appeal in competition with the future.

Certainly a major need during the first year of retirement is readjustment to a more deliberate way of living.

It isn't always easy to calm down if you come from a job where, as the years went by, you found you had to work harder and shoulder heavier responsibilities. You've become accustomed to fast, high stepping, and it's impossible to slow up. Entering retirement brings such a change that taking things easy in the natural way isn't simple.

Unless you are one of the rare exceptions, the born loafer, your capacity to loll around and rest is limited, even in your 70's and 80's. If you're in reasonably good health you'll go on generating energy, and it will only turn in on you and consume you if you don't put it to work.

A nice deliberate trip to far places with the missis can begin your first year interestingly. It's good too for making a complete break with your past, the job, and the boys. It keeps you from getting too deeply mired in mere domesticity.

For that first year, especially, it may be well to plan too much work to do in order to avoid the retirement doubts that may assail you when you wake up in the night or as you sit on the sun porch reading history.

Putting your home and the grounds in apple-pie order can help keep you occupied the first year. It's creative, too. When you're through you look upon your restoration work, together with your reseeded lawn, new garden, pruned and relocated shrubbery, with all the creative satisfaction of a person who has spent his time to good advantage and produced hundreds of dollars' worth of improvements.

Merely living a well-balanced life—but deliberately—can fill your hours with pleasure and all the achievement you want. During your working days your existence was more or less unbalanced. You had to put money-making first. You had to work at times when you should have been playing. You had to neglect your family in order to provide for them. You had to do things that bored you when you were yearning to do things far more interesting.

During the first year of retirement you may feel that you are loafing entirely too much. This may be because you don't realize how many of your hours are spent in really intelligent living.

But if you are really too idle, you can take yourself in hand with a constructive schedule. Plan your week with so many hours for your hobbies, your activity in local affairs, organizations in which you are interested, and allot other times for special interests. Then live up to your program. This will be important too in crowding out thoughts about your late-lamented past.

And you'll be well on the way to being happy, though retired.

(How To Retire And Enjoy It. By Ray Giles. Copyright, 1949.McGraw-Hill Co. of Canada Ltd.)

Workers Are Partners In Enterprise

(Continued from page 11)

set up. This is composed of employees elected by secret ballot twice a year. The committee meets once a month under the chairmanship of Mtr. Jean Marie Bureau, K.C., Mr. Whitehead's personal counsellor.

Only on rare occasions does Mr. Whitehead sit in on these monthly discussions, and then only by invitation. When the committee was first formed he did act as chairman but discovered that it performed more effectively when management was not there in person. Employees were more inclined to loosen up and talk.

Under the present setup, Mr. Bureau acts as intermediary between the committee and management. He transmits complaints, suggestions from both sides.

Most important purpose of the committee meetings is the discussion of production problems. Cases like that of Jeannette come up for review and action from time to time. Production results of the spinning, weaving, finishing and all departments are examined. A company representative suggests how errors might be eliminated. Committee members tell their story and offer suggestions as to remedies.

An important result of these meetings is that the members return to their departments and keep their fellow-workers informed on the month's results. If some section needs tightening up, some worker is slacking, the committee is in a position to inform the others. In most cases they waste no time imposing their own methods of discipline.

Mr. Whitehead's view is that one of the great contributions of the plan in his company has been the way in which employees have accepted responsibility and have taken on the job of self-discipline. Efficiency, waste, absenteeism are now largely controlled horizontally — from worker to worker — rather than vertically from the top down.

There is a question in the minds of some union men as to just what place the union has under the plan.

Mr. Whitehead's opinion is that the plan offers an opportunity and a challenge to the union. Now instead of spending time working out wage demands, the union can make constructive suggestions to employees and management on how the worker's share can be increased through better efficiency, waste reduction, etc.; and equally important a sound, mutual understanding between workers and management.

Unions can and should undertake this constructive task, Mr. Whitehead thinks, if for no other reason than self-interest. The Promised Land for which virtually every labor organization is striving today is stability of employment and wages. Mr. Whitehead agrees that this is a sound and worthy objective and under the share-of-production-pay plan he believes that the employees, with the help of their union, can go a long way in reaching their goal.

He insists, however, that the union and the employees must realize that it is the consumer who will determine whether or not there is an assured annual income for workers. To assure annual income you must first assure consumer acceptance of the product, he points out.

One of the great difficulties encountered at Wabasso in introducing the plan was the unwillingness of the tool-user to accept the reductions in reward imposed by the consumer as well as the increases. Under the Rucker plan the rewards follow and are in proportion to the consumers' willingness to pay.

It is possible, however, for the tool-user to help increase the rewards, even in times of recession, by providing better goods and services to entice the consumer into buying more of his product and probably pay more for it. This is where the union can earn its keep, by helping the workers, and where possible the tool owners, to turn out a better product and one that will command a higher price, says Mr. Whitehead.

In Mr. Whitehead's view, it is the consumer who really says how much the worker or the company shall make. He says the payroll is a definition of one man's social relationship with another, or of one group with another group. And the worth of the individual or group is measured by the consumer.

In practical terms this means that in 1948 Canadian consumers placed a value of $1,800 on Jean Baptiste in the Wabasso plant by their purchases of goods he and his fellows and the company produced. Next yeer consumers may raise Jean to $2,500 or reduce him to $1,500.

By letting the consumer decide the value of the man and the company, Mr. Whitehead argues, it is possible to avoid the arbitrary decisions which have led to industrial strife. He points out that workers say they should have a share in the life of the enterprise but don't know what share they want. As a result union leaders are never sure if they have asked enough.

From his own experience in operating the plan over the past five years, Mr. Whitehead considers that one of the great benefits has been the change in the part management plays.

Under this plan, management is relieved of all responsibility in making an arbitrary decision on wages and sharing earnings. Mr. Whitehead sees management assuming a more professional role—its function to operate the property on behalf of the tool-owners and umpire between them and the workers. His services are also available to the workers, if they wish, to handle administrative problems in connection with their activities such as pension and health plans, etc., and to keep them advised on production problems.

While everyone at Wabasso appears satisfied with the plan Mr. Whitehead says there is still another five years work on it ahead. Most important is continuing education program for employees so they will learn how they can increase their supplementary earnings.

Industrial Growth

New plants and expansion projects to boost the nation's bulk output and product diversity.

Industrial construction contracts in seven months, topping $73 millions, up 79% from the 1948 period, appear to support the midyear finding of Ottawa's official trade economists that 1949 capital spending plans framed by industry late in 1948 haven't since been greatly pruned.

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GM's McKinnon

McKinnon Industries Ltd.'s T. J. Cook, president and general manager, last week announced award of general contract for immediate construction at St. Catharines, Ont., of additions and alterations to the McKinnon plant (General Motors subsidiary) to cost about $2 millions including tools and equipment, and to require employment of over 350 additional workers on completion in December. The project will add 70,000 sq. ft. of floor space to relieve congestion in some parts of the plant and house expanded operations. Architect is Thomas R. Wiley.

This expansion will help conserve U. S. dollars by making automotive parts formerly imported — for example, Eaton Manufacturing's two-speed axle (The Financial Post, April 9 and May 22).

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KoolVent

KoolVent Metal Awning Corp. of America, Pittsburgh, announces it has granted rights for manufacture and sale of KoolVent aluminum awnings in Canada to Ralph and Cyril Schofield, Toronto, and that construction of a one story, 7,000 sq. ft. factory has been started in Oshawa, Ont. A sales and showroom in Toronto also is being prepared, M. Harrison, of KoolVent, Pittsburgh, licensee-manufacturers in United States, Hawaii, Porto Rico and Bermuda.

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Schick Shaver

Schick Shaver (Canada), Toronto, headed by K. C. Gifford, Stamford, Conn. (president of both U. S. parent and Canadian subsidiary companies), readies for start about September 1 assembling automatic electric shavers with parts mainly imported from parent Stamford plant.

Schick is in 3,000 sq. ft. of rented space in city's central downtown district. Present working force of six will be doubled soon and then progressively increased as Schick's and Canada's U. S. dollar supply position improves, according to S. H. Mugford, secretary and treasurer, who sees a potential annual market in Canada for 60,000 Schick shavers. Later, some export business will be undertaken.

This is Schick's second start at a Canadian assembly enterprise—it operated a small plant in St. Johns, near Montreal, from 1936 to 1941, then exporting mainly to Britain.

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Singer Sewing

Singer Sewing Machine Co.'s stated. His firm reports over 40 Singer Manufacturing subsidiary is rounding out major plant expansion in Thurso, Que., and St. Johns, Que.

At Thurso, foundation is going in for 22,000 sq. ft., $170,000 extension, of steel, concrete block, brick and aluminum siding; engineer, Brian R. Perry; contractor, A. F. Byers Construction Co.

At St. Johns, Anglin-Norcross Quebec and Jean-Paul Trahan, contractors, are completing $410,000 extensions designed by engineers T. Pringle & Son Ltd. (architect, E. C. Miller). Anglin-Norcross' jobs are $200,000 foundry, $125,000 office extension and guard house; Trahan is building $45,000 garage extension, yard house and fire house.

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Imperial Oil

Imperial Oil Ltd., Toronto, has started building a $75,000 extension to grease-manufacturing unit at its Sarnia, Ont., refinery, two stories, steel and brick, with structural steel erection by Sarnia Bridge and general work by Imperial Oil forces. F. H. Kern is plant manager.

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Can. U. S. Knitting

Canadian United States Knitting Ltd., St. Hyacinthe, Que., has started building two stories, 7,200 sq. ft., steel and brick, about $40,000 on basement built 1946; architects, Lawson & Betts; contractor, Stewart Construction Corp., Sherbrooke. Basement will be used as dyehouse (was in temporary use for storage), first floor for finishing, second for knit goods manufacture. Further plant expansion is contemplated. About 24,000 sq. ft. of land was added to Cuskco's plant site several years ago in preparation for an expansion program then tagged at about $200,000.

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Univertical

Univertical Machine Co., Royal Oak, Mich., Charles T. Walker, president, has plans for possible early building of a 6,000 sq. ft. branch plant near St. Thomas, Ont.

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Timken Roller

St. Thomas, Southwest Ontario city of 19,000, isn't too worried over rival London's luck in getting the General Motors Diesel plant; isn't in the dumps about New York Central Railroad layoffs and loss of Monarch Knitting operations (The Financial Post, Aug. 6).

One offset is almost sensational growth in St. Thomas of Timken Roller Bearing Co.'s U. S. dollar-saving plant opened two years ago in 50,000 sq. ft., with investment of about $2 millions and 235 workers. Timken last summer began building $750,000 extension as a carburizing and hardening (heat treat) unit; added 65 workers on completion at year end. Now, plans for a third unit are coming up, an automatic screw machine building, architects Prack & Prack, Hamilton. Timken hasn't announced starting date on construction but is shipping in 10 big automatic screw machines from the parent plant in Canton.

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R. D. Werner

R. D. Werner Co., aluminum molding, Port Dalhousie, Ont., Greenville, Penn., and New York City, last week completed negotiations with City of Oshawa, Ont., for purchase at $3,000 of 15 acres of vacant land fronting 857 feet on Simcoe Street South for immediate construction of a new plant to employ up to 125 and cost an announced $300,000. Railway siding construction will start this week, according to Chamber of Commerce Secretary George Garner. Single-story, 30,000-sq. ft. plant of steel and brick, to be completed about November, will produce aluminum extrusions for decorative moldings and industrial use starting in January.

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The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

American in Canada

If an American is working in Canada for part of 1949 and resident here, is he subject to income tax deductions by his employer?

Under the tax convention between Canada and the United States, a U.S. resident in Canada employed and paid by a Canadian employer is exempt income tax if his sojourn in Canada does not exceed 90 days and his compensation for his services does not exceed $1,500. If he is employed by a U.S. employer he is exempt income tax unless his sojourn here exceeds 183 days and his earnings exceed $5,000. In each case if he does not comply with these two conditions regarding length of stay and earnings in this country, he is taxable and his employer should deduct tax. If however tax is deducted and it later turns out that he is not taxable he can claim a refund.

Cases where this might occur would be where the taxpayer's stay is shorter than anticipated or total earnings were less than expected, it is understood.

Little Change By TSE Shorts

Semi-monthly short position of Toronto Stock Exchange as of Aug. 15 shows aggregate short position, eliminating odd lots, on books of member firms at 522,389 shares of 148 issues compared with 522,511 shares of 138 issues on July 29.

Largest net changes from previous compilations in individual mining stocks were:

Stock	Shares	Stock	Shares
Boymar	+10,000	Sladen Mal.	—5,500
Sherritt G.	—8,100	Nicholson	—5,000
Osisko	+8,000	Norbenite	+5,000
Cent. Porc.	—6,500		

Largest changes in industrial stocks were:

Stock	Shares	Stock	Shares
Bell Tele.	—652	Ford A	—300
Abitibi	—300	Seagrams	—200

Complete short position shows:

Stock	Shares	Stock	Shares
Abitibi	1,475	Imperial Oil	980
Algoma Steel	250	Int. Nickel	1,450
Aluminium	65	Int. Paper	425
Amal. Larder	1,000	Int. Uranium	5,500
Anacon Lead	3,500	Jacknife	500
Anglo-Can.	2,400	Joliet-Quebec	3,000
Argus Corp.	775	Kerr-Addison	2,400
Arjon	2,500	Kirk. Lake	1,500
Armistice	2,000	Labrador	8,650
Atlantic Oil	2,000	Lake Dufault	2,500
Atlas Steel	200	Lake Shore	100
Aumaque	4,000	Lamaque	100
Base Metals	23,500	Leitch	1,600
Bell Phone	104	Little L. Lac	300
Bevcourt	1,000	Louvicourt	1,000
Bidgood Kirk.	500	Macassa	2,000
Bordulac	3,000	MacDonald	11,000
Boymar	10,000	Macho River	3,000
Bralorne	500	Madsen RL	900
Brazilian	300	Malartic GF	5,400
B. A. Oil	150	Massey-Harris	250
B.C. For. Pr.	900	McKenzie RL	6,000
Brit. Dom. Oil	1,000	Mining Corp.	1,250
Buffadison	1,500	M. & O. Paper	300
Buff. Ank.	1,600	Moore Corp.	100
Calgary & Ed.	3,200	Negus	1,300
Campbell RL	800	N. Calumet	3,200
Can. N. Pwr.	125	N. Goldvue	2,500
Cdn. Brew.	3,000	New Jason	3,700
Cdn. In. Alco. Vot.	500	New Marion	10,000
Cdn. Locomo.	150	N. Norzone	500
C.P.R.	1,940	N. Pacalta	500
Cdn. Vickers	100	Nicholson	15,600
Cdn. W. Lum.	100	Noranda	175
Cent. Pat.	1,000	Norbenite	32,000
Cent. Porc.	4,500	Normetal	9,500
Chesterville	1,400	North Inca	3,500
Coch. Willans	3,000	Okalta	3,600
Cockshutt Plow	200	O'Leary	1,000
Cons. Beattie	1,000	Orange Crush	400
Cons. Home.	500	Osisko	28,500
Cons. Smelters	930	Pacific Pete.	3,900
Cons. Paper	300	Page Hersey	75
Conwest	2,800	Pamour Porc.	1,000
Croinor	7,000	Paymaster	500
Discovery Yk.	3,000	Pend Oreille	5,700
Dist. Seagrams	100	Powell River	100
Dome	600	Preston E. D.	5,300
Dom. Coal pf.	200	Quemont	750
Dom. Stl. & C. B	800	Quesabe	1,600
Dom. Textile	250	Reeves MacD.	1,000
Donalda	6,500	Royalite	400
Donnacona	300	Roybar	2,000
Duvay	1,000	Russell Ind.	100
Eastern Steel	150	San Antonio	2,200
E. Malartic	4,500	Sherritt G.	48,400
E. Sullivan	14,600	Silanco	18,000
Eldona	38,900	Silver Miller	1,000
Eureka Corp.	5,300	Sladen Mal.	2,000
Falconbridge	100	Starratt O.	4,500
Fanny Farmer	70	Steep Rock	13,000
Federal Grain	100	Teck-Hughes	1,100
Fleet Mfg.	500	Thomp.-Lun.	500
Ford Motor A	100	Torbrit Silver	1,000
Giant Yk.	8,300	Tower Pete.	500
Globe Oil	2,000	Un. Keno Hill	7,600
Golden Man.	16,200	Upper Can.	2,400
Gt. Lk. Paper	300	Ventures	500
Gulf Lead	1,500	Waite Amulet	1,600
Hasaga	5,000	Walkers G & W	400
Hedley Mascot	1,000	Wilt. Cogh.	1,000
Highridge	500	Wpg. Electric	1,200
Hollinger	700	Yellorex	3,500
Hudson Bay	550	Yk. Bear	3,300
		TOTAL	522,389

New Dial System Tried For N.Y.S.E.

Brokers who have private lines connected with the New York Stock Exchange can now dial a number and receive up-to-the-minute information about two of the listed stocks due to the installation of magnetic tape recorders on an experimental basis by the New York Telephone Co.

The current bid and asked prices of the stocks are recorded on the tape directly from the trading posts on the floor of the stock exchange. A broker wishing quotations on either of the two stocks (United States Steel Corp. common and Standard Gas & Electric Co. preferred) dials a three-digit code number and as soon as the dial connection is put through a recorded voice announces the quotation.

Value of the new arrangement is due to the fact that it enables 10 subscribers to hear the same quotation simultaneously, speeds up service and helps reduce errors. In the past, a quotation operator, in the group handling the particular stock would give the broker the latest quotations.

If the experiment proves successful, the system may be expanded to include the 200 most active stocks out of the approximately 1,400 listed stocks. About 40% of the total activity on the N.Y.S.E. takes place with 200 securities.

INVESTMENTS

Adelaide Sheppard Co.

Can you outline for me the plan for reorganization of Adelaide Sheppard Co?

A plan for reorganization of Adelaide Sheppard Co. was approved by bondholders March 21, 1949. Briefly the plan is:

(a) A new company — Concourse Building Ltd.—is to be incorporated in Ontario with an authorized capital of 5,845 no par common shares and $414,782 principal amount of 20-year redeemable debentures secured by a floating charge or trust deed to the Guaranty Trust Co. of Canada, trustee. These debentures shall be entitled to receive at the expiry of each fiscal year the net income, as defined by the auditors, as a payment on account of principal and in redemption.

(b) There are presently outstanding and unpaid $414,782 of principal amount of bonds of Adelaide Sheppard. Each bondholder will receive debentures par for par for his present holdings and in addition will receive one share of no par value common stock of Concourse Building Ltd. for each $100 original principal amount of bonds of Adelaide Sheppard bonds held. In this way Adelaide Sheppard bondholders, will after the debentures have been paid off, own the equity in the building through their common shares.

(c) A voting trust has been created for the common shares for 10 years. Trustees are William R. Sweeny, Chairman of the Bondholders Committee; Percy Hermant and E. Blake Winter, Chairman of the Board of Guaranty Trust Co. of Canada.

(d) Directors of Concourse Building Ltd. are William R. Sweeny, president, Percy Hermant and J. Wilson Berry.

(e) Guaranty Trust Co. of Canada is transfer agent of the shares of the voting trust certificate and is trustee of the debentures.

Campbell R. Lake

Will you please give me a few details on Campbell Red Lake? Has the company enjoyed satisfactory ore results and does it look as if it will prove successful?

The property of Campbell Red Lake Gold Mines in the Red Lake camp of Ontario responded very well to underground development and at the beginning of 1949 reported ore reserves of 320,756 tons averaging 0.463 oz. gold per ton including 45,956 tons on surface dump. A mill of 300 tons capacity was placed in operation last May and has since been worked up to capacity. So far we have not seen any details on earnings but with the new roaster swinging into action, we would think that the company should be able to show a fair margin of profit even under present rather difficult conditions.

Advances secured by bonds and unsecured advances made by Dome Mines are understood to approximate $2.5 millions and this indebtedness will have to be liquidated before any dividends may be paid.

There is little doubt but what Campbell represents one of the best new gold mining properties brought forward in Canada in recent years. This situation is pretty well recognized and that is why the company's shares are selling at their present level.

Oakville Wood Spec.

Please give me some information on Oakville Wood Specialties Ltd.

Oakville Wood Specialties Ltd. with its subsidiary, Glover Basket Co., is the largest basket manufacturing company in Canada, manufacturing the most complete line of fruit and vegetable containers obtainable in Canada, according to the prospectus covering a new issue of $600,000 5½% first mortgage bonds. This issue is dated June 1, 1949, and due June 1, 1969. It was offered by Harrison & Co. last month at a price of $100 and accrued interest with a bonus of 20 common shares being given with each $1,000 bond.

The business was started in Oakville, Ont., in 1874 to manufacture wooden baskets and allied products. In 1914 control was acquired by J. M. Wallace who then incorporated the business under the name of Oakville Basket Co.

Net profit for the fiscal year ended Oct. 31, 1948, amounted to $110,480 after income taxes of $70,746 and depreciation of $19,163. For the seven months to May 31, 1949, the net profit was $81,812 after income taxes of $50,569 and depreciation of $13,677.

According to the prospectus more than the $33,000 required to pay interest on the 5½% first mortgage sinking fund bonds of the new company was earned before depreciation in every year in the last 20 years—even through the depression years of the early '30's. Current earnings amount to over 7½ times bond interest before depreciation and over 6½ times after depreciation. Average earnings for the last ten years and seven months are over four times bond interest before depreciation and over 3½ times after the depreciation charge.

The $600,000 first (closed) mortgage sinking funds bonds were issued and delivered to the predecessor company, Oakville Basket Co., as partial consideration for the purchase of the assets and undertaking now owned by the Oakville Wood Specialties Ltd.

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New Polio Insurance Policy Gives Broad Cover to Family

A new two-year individual and family polio policy being offered by the Continental Casualty Co., is meeting with a good demand, The Financial Post is informed.

This new policy replaces an endorsement form of coverage previously given by the company. Some two years ago, special contracts were also being offered but the new contract of the Continental appears to be broader than anything else in a polio contract previously on the market.

Premium rates are $5 for one person, $10 for a husband, wife and unmarried children three months to 18 years old, for two years. The policy will pay up to $5,000 for each case. It will pay hospital bills, iron lung rental, doctors' bills, nurses' expenses, transportation charges, including airplane and ambulance services.

For the patient in Ontario, the policy thus supplements and rounds out the contribution of the provincial government, which, while it does not pay transportation to or from a hospital, assumes the cost of patients once admitted to an approved polio hospital in the province. The province does not pay for treatment by the patients private physician, nor for treatment given outside the hospital, nor if a patient leaves hospital policyholder patient to have the official treatment plus additional care. One man stated that ambulance charges alone would come to more than the premium.

Some other companies state that polio is taken care of under their regular accident and sickness policies while in others again, protection may be added by a rider to the main contract, stating the protection given in detail.

SOUTHERN CANADA POWER CO. gross earnings were 12% higher in the 10 months ended July 31, amounting to $4,250,763 against $3,777,362 for the corresponding period last year. Surplus for the period, after operating and maintenance, interest, depreciation, taxes and dividends, totaled $91,426 compared with a deficit of $19,878 a year ago. Surplus for July was $22,692 ($4,961 deficit in July, 1948); gross earnings, $425,030 ($380,547).

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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Mining Stocks

Oil Stocks

Company	Sales				
Royalite N.	10,865	6.60	6.75		
Share Oils	13,000	.07	.07½	.07	.07
So. Brazeau	23,700	.15	.15	.13½	.13½
So. West Pete	50	.25	.20	.20	.20
Spooner	10	.17	.15	.15	.15
Sunset	13,500	.17	.18	.17	.17½
Superior	7,000	.35	.33	.31	.33
Texas Can.	20	.50	.50	.50	.50
Tower P.	2,700	.37	.38	.35	.35
Turner V.	1,555	.15	.15	.10	.15
United Oils	2,620	.09	.09	.08	.08
Warner	6,000	.05½	.07	.06½	.06½

* N. Y. funds. x Extra. § Paid in 1947. † Paid in 1948. ▼ Paid or payable in 1949. ‡ Capital distribution.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Aug. 22	109,600	1,143,000	102,550	37,762	880,000
Aug. 20	......	......	......	......	1,120,000
Aug. 19	103,200	933,000	97,490	43,650	1,520,000
Aug. 18	122,000	889,000	114,735	28,362	1,750,000
Aug. 17	98,200	737,000	51,855	20,457	1,060,000
Aug. 16	71,000	661,000	47,210	22,250	

BUSINESS BAROMETER

	AUG.	JULY	JUNE	MAY	Year Ago
GOVERNMENT FINANCE (millions of $)					
xDom. total expend.	....	183.8	240.2	135.9	154.1
xDom. total rev.	....	204.3	191.0	201.4	219.0
MERCHANDISING					
xDept. store sales (3)	—8	+4	+7	+11	....
Country store sales (3)	....	....	....	—0.2	....
Retail store sales (2)	....	....	....	+6.2	....
xWholesale sales index (1)	....	....	309.4	303.0	290.0
FINANCE					
xDividend payment index (1) (5)	212.7	213.5	213.1	215.4	201.9
Money supply (millions $)	....	....	4,187	4,155	4,030
NEWSPRINT CAPACITY					
Production ratio (7)	....	....	102.4	103.0	102.6
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	215.9	210.5	215.9
Cars (D.B.S.) (1)	....	....	156.0	154.9	160.1
COST OF LIVING					
D.B.S. (1)	....	162.1	160.5	159.5	154.3
EMPLOYMENT INDEX					
All industries (6)	....	....	194.4	188.1	192.3
Payrolls (June 1/41=100) (3)	....	....	309.0	207.3	195.4
MANUFACTURING					
Inventories (1947=100)	....	....	....	130.6	122.1
Employment (6)	....	....	204.9	203.3	202.6

	1949	1948	1949 Jan. 1 to date	1948 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
xCarloadings (week Aug. 13)	74.2	76.0	2,313	2,392	—3.3
xC.N.R. gross rev. (July)	41,603	41,801	276,179	270,265	+2.3
xC.N.R. net rev. (July)	296	—6,323	1,346	2,783	—41.6
C.P.R. gross rev. (June)	29,069	27,546	175,236	160,830	+9.0
C.P.R. net rev. (June)	511	4,107	2,989	—163	....
IRON AND STEEL PRODUCTION (000's omitted) (May)					
Pig iron production (tons)	202.1	193.3	940.8	847.9	+11.0
Steel production (tons)	283.2	269.6	1,405.1	1,336.3	+5.2
CONSTRUCTION (000's omitted)					
Contracts awarded (July)	120,269	89,791	615,108	572,627	+7.9
Cement prod., bbls. (May)	1,327	1,100	6,218	5,235	+18.8
AGRICULTURE (000's omitted)					
Flour prod., bbls. (June)	1,686	1,910	9,469	11,137	—15.1
Flour exp., bbls. (June)	682	1,041	4,830	6,535	—26.1
Wheat exp., bush. (June)	21,782	11,194	96,363	58,127	+65.8
Cattle sales (July) (4)	138.8	124.3	845.4	835.7	+1.2
Hog sales (July)	242.1	234.3	2,281.2	3,081.3	—25.9
SEA FISHERIES (000,000's omitted)					
Catch, lb. (June)	118.6	122.0	469.4	545.7	—14.0
Landed value (June)	6.3	7.1	20.0	21.7	—7.8

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp., Kamm, Garland & Co. and Kippen & Co.) Aug. 23, 1949

Stocks Not Traded This Week (Continued)

Company	Div. rate	Last sale	Bid	Ask
McLeod	...	.10	.10	.14
Nordon	...	.03½	.03½	.04½
Oil Selections	...	.15	.12	..
Petrol Oil	▲.03	.06	.05	..
Three Point	...	.19	.19	.24
Vanalta	...	.18	.13	.30
Vulcan	...	.15	.10	..
Vul. Brown	...	.04	..	..
Wellington	...	.08	.07½	.11
York Oils	...			

▲Paid or payable in 1949. †Paid in 1948. §Paid in 1947. *N. Y. funds. xCapital distribution.

STOCKS NOT TRADED THIS WEEK

Company	Div. rate $	Last sale	Aug. 19 Bid	Ask
Mont. Refrig. & S.	x.75	31	29½	..
Do. 1st pref.	1.50	29½	29½	..
Moore Corp. pf. A	▲7.00	256	272	..
Do. pref. B	▲7.00	390	408	430
Do. pref. 4%	1.00	25½	25	26½
H. Morgan pref.	4.75	101½	..	101½
Mt. Royal Rice	.50+x.10	9	8½	9
Murphy Paint	.30	22	21	24
Nat. Hosiery A	.60	15½	16½	..
National Trust	1.00	27	27	27½
Wm. Neilson 5% pref.	5.00	102½	101	..

Mining Stocks

Company Meetings

1949 Company	Place
Aug. 26—Candn. Converters	Montreal
Aug. 26—Silanco M. & Ref.	Toronto
Aug. 27—York Oil	Vancouver
Aug. 31—B. C. Packers	Vancouver
Aug. 31—Nat. Pet.	Calgary
Aug. 31—Wabasso Cot.	Three Rivers, Que.
Sept. 8—Agnew-Surpass	Brantford, Ont.
Sept. 13—Fairchild Air.	Longueuil, Que.
Sept. 22—Tip Top Can.	Otterville, Ont.
Sept. 28—Can. Coll.	Vancouver

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
xUn. Sec. Ser. B	3%	1952	Sep. 1	100½

x$1,232,500.

Bond Tenders

12 noon, Aug. 25, 1949, Canada Treasury bills, $75,000,000, payable Nov. 25, 1949, dated Aug. 26, 1949.

Government Bonds

(Supplied by Investment Dealers Assoc. of Canada)

Aug. 26, 1949

[illegible]

Significant Investors' Index Numbers

[illegible]

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

[illegible]

Montreal Stock Exchange Averages

[illegible]

Dow-Jones Closing Stock Averages

[illegible]

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Aug. 26 1949

[illegible]

Unlisted Mines, Oils

Approximate quotations, 3 p.m., Aug. 25, subject to confirmation

[illegible]

	Bid	Ask		Bid	Ask
Lar-Add	1½	3	Zolota	13	15
La Salle	5½	6½	OILS		
Lavalie	2	3	Franco	60	65
Legardo	3	1½	Granledue	20	23
Lennie	1½	3	Home Oil	10	10½
Le Pine	1	5	Jupiter	11	14
Louvore	½	1½	Lingnora	4	6
Mallen R L	3	4	Major Oil	2	3
Marbenor	7½	8½	Nw Ranch	2	3
Marquette	½	1½	Pac Oil Re	5	6½
Mar Bird	4	5	Princess	20	22
Mary Ann	3½	4½	Universal	2	3
Mat Con	40	43	Vermilion	36	44
Metalore	5½	6	Westlock	8	10

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$21.12	$20.93	$21.17
Hogs	32.35	31.60	32.60
Copper, lb.	.17⅝	.17⅝	.23½
Sugar, raw, lb.	.0340	.0340	.0530
Coffee, lb.	.28⅝	.27½	.26⅝
Hides	.22½	.23½	.28
Weekly Indices			
U. S. Labor	151.9	152.7	169.9
Dow Jones	129.13	130.37	148.11
Fisher's	162.2	161.6	176.2
Monthly Indices			
Retail (July)†	162.1	160.5	156.9
W'sale (June)	156.3	156.4	152.1
U. S. (May)	155.7	156.9	163.9
Gt. Brit. (May)	231.3	226.5	220.4

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

MACDONALD MINES reports that by Aug. 16 agreement, W. E. Burke of Montreal underwrote 50,000 shares at 35 cents a share, first payment of $8,750 having already been made and balance of $8,750 being payable by Sept. 15, and optioned 20,000 shares at 40 cents a share until Oct. 15; 20,000 shares at 45 cents until Nov. 15 and 30,000 shares at 50 cents until Dec. 15. Upon issue of first block of 25,000 shares, for which payment has been made, issued capital will be 3,344,953 shares.

Investment Trust

[illegible]

Municipal Bonds

Aug. 25, 1949

[illegible]

Market Comment

What stocks and bonds are doing and what prominent observers say

The nine-week uninterrupted market advance finally has run out of steam and technical correction has set in. Small daily volume on the downside and market reluctance to give ground under liquidating pressure indicates early resumption of the advance. Possible unsettling market factors loom ahead, however, that could at least change the intermediate direction of the market. Two of these are the forthcoming Washington meetings on Britain's financial crisis and the final showdown on the U.S. steel-labor dispute. If these market hurdles can be negotiated without undue change in current improved market psychology, then the Dow-Jones industrial average could quickly resume its upward direction. In the meantime, business in the U.S. continues to improve from the summer lows.

After touching a two-year high of 109.52, the Toronto Stock Exchange gold index turned downward at midweek under substantial selling touched off by two or three special mine situations. It is evident that the gold market is going to have to absorb considerable liquidation in the 105-115 range, both from traders trapped in the market for a year or more who at least see an opportunity of getting out with nearly a whole skin and speculators who bought in at last spring's low prices and now have an attractive profit. At the same time some speculators despairing of anything bullish coming out of the forthcoming Washington talks are getting out of the market now with the intention of buying back in at lower prices later. The primary bull move in the golds, however, is still in existence; the current set-back is likely only of intermediate proportions.

• • •

J. F. STEWART: Stewart, McNair & Co. ((Toronto)

Most of our industrial companies are on a sound foundation, well managed and have had long experience in both good times and bad. Their inventories have kept pace with the times along with their sales. We see no reason why earnings should not continue to maintain present dividends, and in some cases increase them.

The mining industry is in better shape than it has been for many years; materials and labor are in better supply, and with the advancement of the air service the outposts of our country are readily accessible. Then of course we feel at some not too distant date the price of gold will be revalued.

The Western oil field is probably one of the biggest assets we have in this country. It is rapidly being developed, but naturally this requires both time and millions of dollars to drill more properties, lay pipe lines and so forth before the real profit will ensue.

Summing up, we feel Canada is in an ideal position to enjoy the prosperity (and perhaps to even a greater degree) that England and the United States had at a similar period of their development.

• • •

L. G. BEAUBIEN & CO. (Montreal)

The western oil industry is in a tremendous expansionist phase where extremely important developments can take place almost overnight. Where some years ago, only a few drilling rigs were in operation, there are now over 100 Canadian and American drilling teams in operation, boring into the earth for new pools and bringing into production new wells monthly.

The millions of dollars already invested and the many millions more being expended in the ever increasing search for oil and the bringing into production of new wells has been done not in the spirit of wildcat speculation, but rather in the way of hardheaded investments in Canada's future, by men of business and by men who know the oil industry . . . The results already apparent to the operators prove to them that their investment has not been in vain.

Natural gas, as well as oil, appears likely to become an increasingly important Canadian resource. Gas reserves in Alberta alone are estimated at the astronomical figures of 1,500 billion cubic feet.

• • •

SAM SMITH: Bache & Co. (New York)

The vigorous advance in security prices in the New York Stock Exchange since mid-June has had a few of the characteristics of a genuine bull movement, but the evidence is far from conclusive.

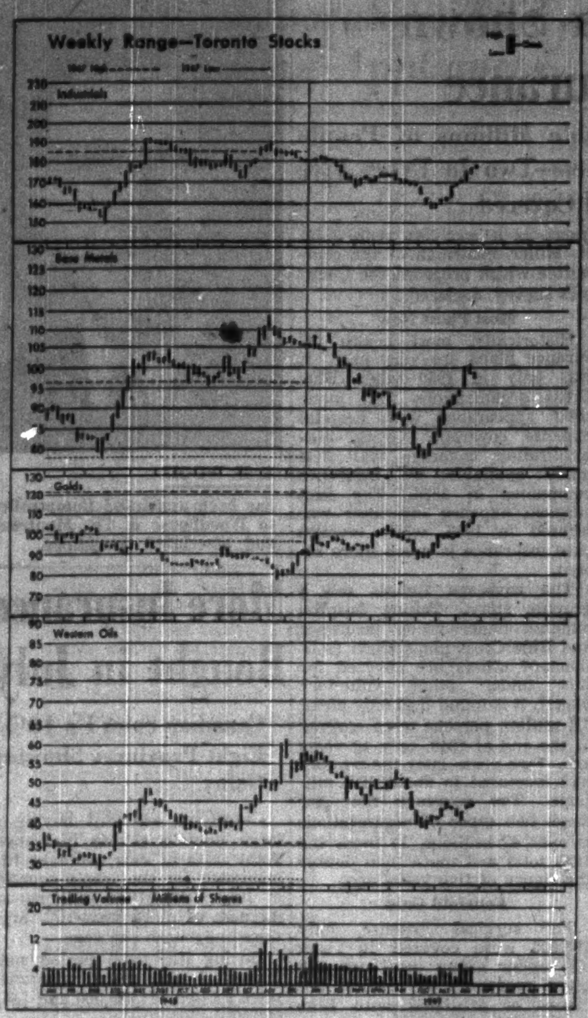
To the less casual observer, the rise possesses many more aspects of an intermediate recovery phase, one or more of which has occurred each year since the 1946 break. A few such upswings carried further than the current advance in both time and distance, and conformance to such precedents would not be surprising.

There is no denying that despite their recent gains, most stocks, by prewar standards, are still conservatively priced. What is more, rarely have more generous yields been provided. The spread is extraordinarily large between the returns available from good grade equities and top quality bonds. But these features have been true for several years. They apparently were reflecting a lack of confidence in the continuity of large earnings, or at least the expectation of an interruption in the maintenance of such excellent results. To a degree, this scepticism has been warranted this year.

If the postwar readjustments are now complete — and we have our doubts on this score — it will have been remarkably brief and painless. The next month or two should tell the story and provide valuable clues. Answers are sought to such pending questions as: How will business trend this fall? What success will the fourth round wage increase demands meet? What results will be forthcoming from the International Monetary Conference? Can an early solution be found to the financial problems of our friends abroad?

While reduced high cost inventory positions and evidence of improvement in some segments of business have contributed their helpful influence, it is worth noting that, like previous recoveries since 1946, the 1949 summer advance has found encouragement in Washington developments and statements from government leaders.

In June and again in early August, the Federal Reserve Board provided constructive stimulation. In July, President Truman's economic report contained comforting features and saw the withdrawal of his previous requests for a general tax boost. Early this month Federal Reserve Board Chairman Thomas McCabe recommended easing taxes on business and business men. Mid-August, Senator George, who heads the potent Senate Finance Committee, proposed a number of tax reductions to aid industry. Deficit financing is currently indicated as efforts are made to sustain the huge Federal expenditures.



Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.25	Oct. 1	Sep. 1
Do. pfd.	.37½	Oct. 1	Sep. 1
Acadia Atlantic A	.25	Oct. 1	Sep. 10
Do. pfd. 5%	1.25	Sep. 15	Aug. 22
Agnew-Surpass	.15	Sep. 1	July 30
Do.	.25	Dec. 1	Nov. 2
[illegible]			

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporations and Foreign Securities

DOMINION

Dominion of Canada Treasury bills — Due Nov. 4, 1949, $75,000,000, issued Aug. 5, 1949. Sold at $99.87250 to yield .512%.

PROVINCIAL

Village of North Kamloops, B.C. (guaranteed by the Province of B.C.) — 3½% debentures, due Apr. 1, 1950-69, $110,000, issued Aug. 1, 1949. Sold at $101.906 to A. E. Ames & Co. Ltd. and Canadian Bank of Commerce.

MUNICIPAL

Village of Port Rowan—3½%, 20-year debentures, $98,000, issued Aug. 15, 1949. Sold at $100.637, cost basis 3.43% to Canadian Bank of Commerce and Anderson & Co.

Town of Brockville, Ont. — 3% debentures, due Sept. 1, 1950-64, $43,000, issued July 19, 1949. Sold at $99.896 to Wood, Gundy & Co. Ltd.

Township of McKim, Ont.—4% debentures, due Aug. 5, 1950-59, $80,000, issued Aug. 2, 1949. Sold at $98.58 to Wood, Gundy & Co. Ltd.

Town of Melfort, Sask. — 4½% debentures, due Aug. 1, 1950-69, $54,000, issued Aug. 2, 1949. Sold at $100 to Wood, Gundy & Co. Ltd.

City of Trail, B.C.—3½% debentures, due Sept. 1, 1950-69, $417,000, issued Aug. 2, 1949. Offered at $100 by Nesbitt, Thomson & Co. Ltd. and Dominion Securities Corp. Ltd.

Town of Collingwood, Ont.—3½% debentures, due Sept. 15, 1950-69, $82,000, issued Aug. 4, 1949. Sold at $101.857 to McLeod, Young, Weir & Co. Ltd. and Bank of Toronto.

Town of Parkhill, Ont. — 3½% debentures, due Aug. 15, 1950-69, $15,000, issued Aug. 8, 1949. Sold at $101.805 to Canadian Bank of Commerce.

City of Fort William, Ont.—3½% debentures, due Aug. 15, 1950-69, $1,126,400, issued Aug. 18, 1949. Sold at $99.271 to McLeod, Young, Weir & Co. Ltd.

Board of School Trustees of Ste. Agathe des Monts, Que.—3% and 3½% debentures, due July 2, 1950-69, $420,000, issued Aug. 9, 1949. Bought privately by Nesbitt, Thomson & Co. Ltd. and Bank of Montreal.

CORPORATE

Canadian Ice Machine—4% serial trust debentures, due Aug. 1, 1950-59, $250,000. Issued Aug. 11, 1949. Sold privately.

Dufresne Industries Ltd., Que.—5% first mortgage bonds, due Apr. 1, 1950-59, $400,000, issued Aug. 11, 1949. Offered by P. E. Letourneau Inc.

Wm. Looser & Co. — 6% sinking fund debentures, due May 1, 1964, $150,000, issued Aug. 11, 1949. Offered by the company at $100.

Dividends Declared (Con.)

[illegible]

*American funds.

New Highs & Lows

During the week ended Aug. 19, 30 new highs were recorded among the general stocks on Canadian Stock Exchanges and 17 new lows. In the mining group there were 25 new highs and three lows. In the western oil group there was one new high and two new lows.

GENERAL

New Highs—1949

Brantford Cord.	Hunts A
Brazilian Traction	Hydro-Electric
B. C. Power A	Int. Paper
Can. Nor. Pwr.	Int. Utilities
Candn. Breweries	Kelvinator
Cons. Bakeries	Man. Sugar pfd.
Distillers-Seagram	Maritime Teleg.
Dom. Bank	Molson's Brew.
Dom. Glass pfd.	Monarch Mtge.
Dom. Textiles pfd.	Stand. Chemical
East Koot. Pwr.	Standard Paving
T. H. Estab. pfd.	Do. pfd.
Fairchild Aircraft	Union Gas
Foundation Co.	Viau Ltd.
Gen. Steel Wares	Walker-Good.

New Lows—1949

Anglo-Can. Tel. pf.	Can. Utilities
Argus Corp.	Dom. Tar & Chem. V.T.
Atlas Steels	Donnell & Mudge A
Brand & Millen	Esmond Mills
Can. Cement	C. W. Lindsay
Can. Vinegars	Lake of Woods pfd.
Candn. Convert. B	United Corp. A
Can. Ingersoll-R.	Waterous A
Can. Oil 4% pfd.	

MINING

New Highs—1949

Anglo-Rouyn	Malartic
Bonetal	McIntyre
Broulan	McKenzie Red Lk.
Cochenour	Nechi
Elder	Preston E. D.
Hard Rock	Queenston
Jellicoe	San Antonio
K. Addison	Sigma
Kirk. Town	Sylvanite
La Luz	Towagmac
Lamaque Gold	Upper Can.
Macassa	Wpg. R. Tin
MacLeod	

New Lows—1949

Gulf Lead	Trebor
Sudbury	

OILS

New Highs—1949

Jump. Pound

New Lows—1949

North Extension	So. West P.

PAYMASTER CONSOLIDATED realized a $144,260 increase in bullion production the year ended June 30, 1949, but after deduction of all charges net profit showed a reduction to $68,301 or 0.7 cents a share from $100,975 or 1.2 cents a share the preceding year.

Development work was increased during the year with a greater supply of labor available. This resulted in a decrease in operating profits.

No. 6 shaft has been reopened but No. 2 shaft, which formerly supplied 25% of mill feed, has not yet been reopened. Production is being stepped up at No. 5 shaft and mining is being undertaken at No. 6 shaft to replace the former No. 2 shaft tonnage.

Ore reserves were fairly well maintained last year as shown below. Diamond drilling of claims in Cody twp. failed to reveal any new ore bodies.

INCOME ACCOUNT

Years Ended June 30:	1949	1948
Bullion prod.	$1,280,056	$1,135,796
Less: Oper. exps.	1,362,962	1,069,554
Oper. profit	*82,906	66,242
Add: Govt. assist.	142,469	45,673
Other inc.	52,024	36,642
Less: Deprec.	40,286	39,482
Prov. for taxes	3,000	8,100
Net profit & surp.	68,301	100,975
*Deficit or loss.		
Earned per Share	$0.007	$0.012
None paid.		

CONDENSED BALANCE SHEET

As at June 30:	1949	1948
Cash & bullion	$584,453	$849,906
Stocks & bonds*	888,128	399,532
Emerg. G. M. Assist.	52,361	45,673
Accts. rec.	33,300	11,544
Employ. war loan	4,483	2,714
Supplies	91,926	77,846
Total curr. assets	1,655,351	1,387,215
Prep. & def. chgs.	17,579	2,935
Shs. in other cos.	480,745	437,443
Mining prop.	2,487,994	2,487,994
Plant & equip.▲	133,571	150,132
Total assets	4,775,240	4,465,849
Accts. & wages pay.	95,506	73,183
Taxes payable	3,222	6,100
Total curr. liab.	98,728	79,283
Capital stock	4,514,033	4,314,033
Surplus	162,479	72,533
▲After depr. of	1,343,384	1,306,833
*Market value	826,670	600,205
Working capital	1,556,623	1,307,932

OPERATING STATISTICS

	1948	1947
Tons milled	167,303	145,430
Average recov.	$7.64	$7.81
Ore reserves, tons	468,624	462,370
Grade	$7.77	$7.93

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FOOD HANDLING AND PROCESSING CONSULTANT

P. E. PAULSON

Refrigerated Foods Engineering Ltd., specialists in design and construction supervision of food handling and processing plants, announce that Mr. P. E. Paulson has joined the company as Vice-President and Managing Director.

Mr. Paulson is well known in the U. S. and Canada as an expert in modern methods of food handling and processing. He was formerly general superintendent of Canadian Fishing Co. Ltd., for whom he designed and supervised construction of canneries and refrigeration and cold storage plants. He also served for two years as mechanical engineer for Frosted Foods Inc., Oregon, U.S.A.

Head Offices of Refrigerated Foods Engineering Ltd. and associate company, Industrial Designing Service Limited, are at 520 Seymour Street, Vancouver, B.C.

Refrigerated Foods Engineering Ltd., recently completed design and supervision of construction of the $2,500,000 plant of B.C. Ice and Cold Storage Ltd., Vancouver, Canada. Unique features of refrigeration and materials handling make this one of the outstanding plants of its kind in North America.

DISCOVERY YELLOWKNIFE has received payment for Aug. 20 installment of 37,500 shares at 20 cents a share under agreement with Tidewater Securities Ltd. Issued capital is 4,304,800 shares, leaving 681,600 in treasury.

The Wawanesa Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets..	$9,273,712.41
Surplus	3,596,934.20
Dom. Govt. Deposit	2,447,256.33

Write for Financial Statement

Head Office WAWANESA Man. — Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon Winnipeg and Montreal

Rapid Growth Shown In Health Insurance

Voluntary Plans Enable Millions of People to Meet Costs of Illness—Two In Every Five Persons Now Believed Covered

Voluntary health insurance has grown rapidly in the last decade in both the United States and Canada. Total premiums paid to Dominion licensed insurance companies in Canada for combined accident and sickness insurance, and sickness insurance only, increased from about $4.6 millions in 1939 to $28.9 millions in 1948.

To these totals must be added insurance under Blue Cross, Associated Medical Services and similar plans under both individual and group contracts.

Health Insurance Council in the United States recently estimated two persons out of every five in the entire U. S. population had voluntary protection against costs of hospital care, while nearly one out of every four has voluntary surgical expense insurance. Striking gains also were scored by other forms of voluntary health insurance, notably that of medical expense protection which covers doctors' calls.

The figures published by the Council showing numbers covered under these various health plans in 1948 as compared with 1947 are believed representative of the situation in Canada. Gains in numbers covered are reported as follows:

Hospital expense, increased from 52,584,000 to 60,995,000, up 16%.

Surgical expense, up from 26,247,000 to 34,060,000, increase of 30%.

Medical expense, up from 8,898,000 to 12,895,000, increase of 45%.

Loss of income due to illness or accident increased from 31,224,000 to 33,410,000 up 7%.

The Council pointed out that the group entitled to benefits under voluntary plans for loss of income due to disability, the basic type of protection sold by private insurance organizations writing accident and health insurance, now comprises well over half the entire labor force.

The remarkable rapid growth of health insurance can best be appreciated if the last decade is surveyed, rather than merely one year's gain even if very great, as it was last year, John H. Miller, chairman of the committee which prepared the Council's survey, declared.

Most Plans New

Historically, most health insurance plans are very new. It was only in 1930 when Blue Cross organizations first made their appearance with hospital expense coverage. Group hospitalization coverage was first made available by insurance companies in 1934. The first surgical expense insurance was offered in 1938, while medical care insurance is much more recent.

The coverage figures tell a graphic story. Taking hospital expense under group insurance and Blue Cross plans alone (millions of others are covered for this under other voluntary plans), it is found that only about 3.2 million persons were covered at the end of 1938, only 10 years ago. Five years later the number had increased to about 19.5 millions. The coverage now for these two types of organizations is over 47 millions, 15 times the 1938 total and more than double the figure of five years ago.

Fourfold Gain

For surgical expense, only 100,000 were covered 10 years ago under group insurance and plans sponsored by Medical Societies or affiliated with Blue Cross, while the number was less than 6 millions only five years ago. Now the number covered by these plans is over 24 millions, a fourfold gain in just five years.

Medical expense insurance was unknown 10 years ago. Five years ago less than a million were covered for this contingency by group insurance and plans sponsored by medical societies or those affiliated with Blue Cross. This form of voluntary health insurance shows the most rapid growth proportionally, as the 45% gain in total number covered in 1948 alone indicates.

The Health Insurance Council comprises principle trade associations in the insurance field.

BORDULAC MINES sold 57,100 shares on the open market in the last four months netting $5,942. The Aug. 19 installment of 50,000 shares at 12½ cents a share under agreement with Romaine Management Ltd. has been exercised. Issued capital is 2,318,320 shares, leaving 681,600 in treasury.

Automobile and General Casualty Insurance
Lumbermens Mutual Casualty Company
Agency Inquiries Invited
Fire and Allied Lines Written in Associated Companies
"THE SAFETY-MINDED COMPANY"

R. H. WOOD has been appointed Comptroller to Woodhouse & Co., Montreal, and associated companies.

More Insurance Bought in July

Canadian Sales Up 10%, Eight Provinces Showing Gains

Canadians are still buying a large volume of life insurance. Total sales of new ordinary life insurance for the whole country in July were $103.5 millions, an increase of more than 10% over the same month last year.

During the same period new industrial and group insurance sales totaled $11,931,000 and $16,595,000 respectively.

Sales of new ordinary insurance showed gains in eight of the 10 provinces. Figures are supplied by the Canadian Life Insurance Officers Association. Comparisons follow.

SALES OF NEW ORDINARY LIFE INSURANCE IN CANADA
Sales in July
000's of $

	1949	1948
British Columbia	10,298	7,743
Alberta	6,568	5,899
Saskatchewan	4,227	3,606
Manitoba	5,760	5,515
Ontario	43,715	38,888
Quebec	25,977	25,752
New Brunswick	2,372	2,282
Nova Scotia	3,473	3,005
Prince Edward Island	442	445
Newfoundland	663	674
Total	103,496	93,809

Sales by Months
000's of $

Jan.	106,621	99,037
Feb.	99,239	101,483
March	104,662	104,653
April	102,917	102,810
May	106,831	101,010
June	112,731	101,867
July	103,496	93,809
Aug.	......	84,013
Sept.	......	84,728
Oct.	......	100,887
Nov.	......	120,408
Dec.	......	113,317
Total	736,497	1,207,820

Say Insurance Officer Made False Statements

From Our Own Correspondent

CALGARY — George A. Wilson, Calgary, vice-president and managing director of the defunct Home Assurance Co. of Canada, has been charged with making a false statement of accounts. His trial opened here recently, was adjourned to Sept. 13.

Wilson, according to testimony by Thomas Crawford of West Vancouver, B.C., former member of the underwriting and claims department of the assurance company here, reduced the statement of outstanding claims for 1947 from $53,925 to $27,150 and told him to report nothing in an amount less than $100 "to keep outstanding claims down."

Crawford told the court that on previous occasions he had been asked not to report on claims of small amounts but that in December, 1947, he had definite instructions to report on claims of $100 or over, only.

BANK OF CANADA

	Aug. 17 1949 $	Aug. 10 1949 $
Liabilities		
Capital paid up	5,000,000	5,000,000
Rest. fund	10,050,367	10,050,367
Notes in circ.	1,269,164,114	1,273,948,512
Deposits: Dom.	146,577,338	154,153,989
Chart. banks	548,531,259	542,839,188
Other	67,479,800	65,180,937
Total deposits	762,588,397	762,174,114
Liabs. payable in sterling U. S. A. and for'n gold currencies:		
(a) to gov. of Can.	72,342,399	70,753,238
(b) to other	22,526	22,526
Total	72,364,925	70,775,764
All other liab.	18,440,273	22,306,108
Total liabs.	2,137,608,076	2,144,254,865
Assets		
Sterling & for'n	67,364,925	65,775,764
Other curr.	34,018	41,958
Total	67,398,943	65,817,722
Subsid. coin	232,612	199,054
Investments:		
Govt. sh. term	1,508,796,490	1,513,457,220
Other gov. sec.	505,712,309	493,507,380
Other secs.	5,000,000	5,000,000
Total invest.	2,019,508,799	2,011,964,600
Total share cap. at cost	25,000,000	25,000,000
Premises	3,294,084	3,191,609
All other assets	22,173,638	38,081,880
Total assets	2,137,608,076	2,144,254,865

Staff Changes

Chartered banks announce the following staff changes:

Imperial:

M. E. A. MARSHALL, formerly supervisor, Winnipeg, to be supervisor, head office, Toronto.

J. E. DALGLIESH, of western superintendent's department, Winnipeg, promoted supervisor, Winnipeg.

JOHN ENGLISH, formerly manager, Ferintosh, Alta., to be assistant supervisor, Winnipeg.

C. J. KELLEY, accountant, Woodstock, to be manager, Dundas & Huron Sts., Woodstock.

A. E. MACGIRR, formerly manager, Dundas & Huron Sts., Woodstock, transferred to head office.

O. F. R. SANDERMAN, to be manager, new branch at Loon Lake, Sask., sub to Meadow Lake, Sask., on a two day a week basis (Thursdays and Fridays).

W. R. SIMPSON to be accountant, Woodstock, Ont.

H. A. LINNELL, formerly of Hastings & Abbott Sts., Vancouver, to be accountant, Sangudo, Alta.

Nova Scotia:

A. E. GRIFFIN, to be supervisor, Quebec branches with headquarters, Montreal.

R. N. FOLLETT, to be manager, Cochrane, Ont.

H. C. MORTON, to be manager, Yonge & Dundas, Toronto.

F. W. NICKS, to be manager, Montreal.

Toronto Laboratory To Test Fire Fighting Appliances

In future, Canadian manufacturers of electrical equipment and fire fighting appliances can have such equipment tested for safety purposes and certification for "approved" labels, in Canada, at a site being selected in the Toronto area for an Underwriters laboratory.

This laboratory, financed by the Fire Underwriters, will be operated on a non-profit basis, states W. E. Baldwin, chairman of the Underwriters Laboratories of Canada. He added:

"Testing of these appliances has previously been done by Underwriters' Laboratories Inc, in Chicago, but it is felt that the time has come when Canadian manufacturers should be able to send their goods to a Canadian laboratory. The standards laid down by Underwriters' Laboratories Inc. of Chicago will be strictly adhered to and a close affiliation with the Chicago Laboratories will be maintained.

"All equipment which meets the standards approved by the laboratory will be considered 'standard' in its line. This should favorably affect the cost of fire insurance to the public which purchases equipment bearing the 'standard' labels.

"It is hoped the fees collected for 'standard' labels will in time make the institution self-supporting, but at all times it will be operated without any cost to the public."

For years, fire prevention authorities have emphasized that individuals should buy only fire fighting appliances which bear the stamp of "approval" by some recognized authority such as the Fire Underwriters' Laboratories, Factory Mutual Laboratories, Canadian Standards Association, or the British Fire Offices Committee. Establishment of the new laboratory will facilitate testing and inspections. The "approved" label is the only means the individual has of knowing that equipment such as a fire extinguisher is technically suited for the job it is intended to do.

SAGUENAY POWER CO. operating revenues showed a decrease in the second quarter this year, amounting to $1,740,013 compared with $1,804,095 for the same quarter last year. Revenues were up, however, from the $1,513,234 shown in the first three months this year. First half revenues were down from last year ($3,253,247 vs. $3,675,005), as was net profit ($641,210 vs. $779,930). Earnings per share amounted to $14.04 on the preferred and $2.26 on the common, against $16.16 and $2.66, respectively, in the first half of last year.

Monarch Life Business Doubles In Six Years

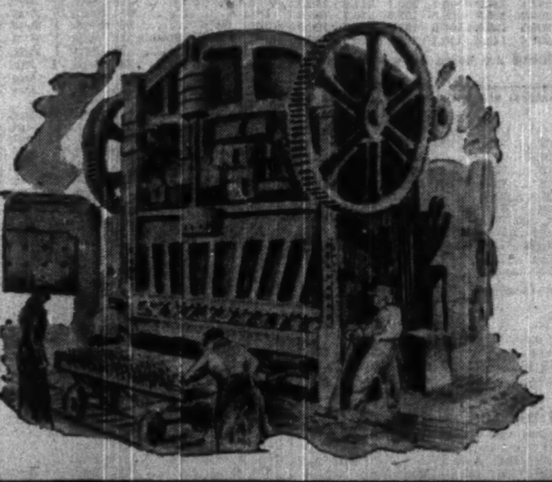
Monarch Life Assurance Co. of Canada, with head office at Winnipeg, now has almost $160 millions of business in force including life insurance and annuities. This is double the total volume in force less than six years ago. The volume of new insurance being written by the company is three times as great as that written in 1940. New business this year to date exceeds that written in the same period of 1948 by 12½%.

Dominion Appraisal Company Limited
Studies of practical value and depreciation.
Head Office
137 Wellington St. West
TORONTO ELgin 5928

Meadows
Export — Import
SHIPPING AND CUSTOMS HOUSE BROKERAGE SERVICES
THOMAS MEADOWS & CO., CANADA LTD.
Foreign Freight Forwarders — Customs House Brokers
Air Cargo Agents
Established 1920
MONTREAL 276 St. James St. W. MA. 5771 (3 lines)
TORONTO 200 Bay St. EL. 3411 (5 lines)

IN TORONTO... CARS and TRUCKS FOR RENT
CALL car-U-drive COMPANY LIMITED
100 RICHMOND STREET WEST TORONTO, ONT.
AD. 5733

HOSCO GOLD MINES Aug. 15 installment of 50,000 shares at 20 cents a share under agreement with Zenith Securities Ltd., has been turned into an underwriting at 15 cents a share and has been taken up on that basis. Issued capital is 3,800,000 shares, leaving 200,000 in treasury.



Specialists in the building of railroad rolling stock

National Steel Car Corporation has been privileged to play a large part in many important developments in the design and construction of railroad rolling stock, and now its wide experience, advanced mechanical equipment and plant facilities, engineering and structural skill, its extensive production capacity and skilled workmen—enable it to offer much to the buyer of railroad equipment.

The opportunity is always welcomed of placing definite recommendations, estimates and specifications before those interested in modern steel rolling stock and allied products.

NATIONAL STEEL CAR Corporation Limited
HEAD OFFICE: HAMILTON, ONTARIO — SALES OFFICE: MONTREAL, QUEBEC
BUILDERS OF TRANSPORT FOR CANADA

Have you ever considered the advantages of using the Bank's services in collecting your accounts?

The increasing number of firms using this inexpensive service point out these advantages:

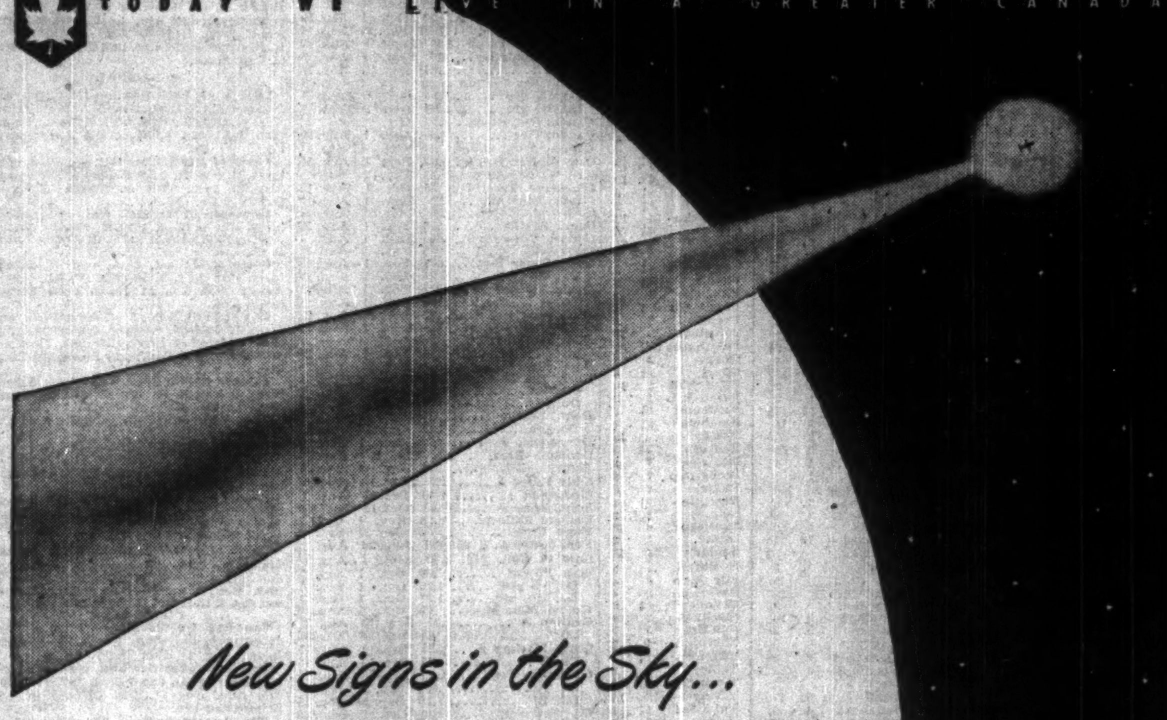
(1) When your customer is presented with a Collection Draft you get action. He will not put it aside as he may do with a monthly invoice.

(2) Letting the Bank do the job saves time, money, and bookkeeping. Collections are credited to your account as received.

Perhaps this service can help you, too. Ask about it today.

THE BANK OF NOVA SCOTIA

TODAY WE LIVE IN A GREATER CANADA

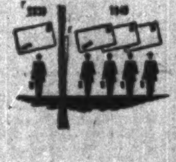


New Signs in the Sky...

A distant hum and a flashing streak in the outer sky announce another exciting Canadian achievement—a new jet plane designed and built by Canadians—one more example of the meteoric advances made by Canadian skills and manufacturing abilities.

In Canada, too, giant airliners, which have won international recognition, are now being built for the world's air routes of today and tomorrow.

Today our production—both in extent and variety—has attained heights undreamt of even ten years ago, creating new opportunities in every field of activity for the talents and enterprise of young Canadians.



Increase of air traffic: today Canada's commercial aircraft carry more than four times the number of passengers and three times the amount of mail they did in 1939.

One of a series presented by
Molson's
to promote a fuller realization by Canadians of Canada's present greatness

"Countless New Opportunities..."

"I sometimes find it hard to realize the extent and rapidity of our plant's growth. It has all been based, of course, upon the tremendous expansion of Canadian industry in general, which has created countless new opportunities in every field of activity for the energy and enthusiasm of young Canadians." —says HARRY J. SEHL of Kitchener.

The development of Sehl Engineering is a typical Canadian success story. Only 14 years ago, Mr. Sehl, with one assistant, began operating a small tool and die shop in Kitchener. Its expansion has been spectacular, with new lines of production added, new departments established and new plants built. Today the company, with 90 employees, is fast becoming one of the leading metal producing concerns in the country.

DIVIDEND NOTICES

BANQUE CANADIENNE NATIONALE

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of two per cent (2%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of August, 1949. This dividend, bearing the number 234, will be payable at the Main office or at the branches of the Bank, on or after the 1st day of September, 1949, to the shareholders of record on August 15, at the close of business.

By Order of the Board,

CHARLES ST-PIERRE,
General Manager.

PRESTON EAST DOME MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 40

NOTICE is hereby given that a dividend of one and one-half (1½c) cents per share has been declared on the Issued Capital Stock of the Company, payable in Canadian funds October 15th, 1949, to shareholders of record at the close of business on the 15th day of September, 1949.

By Order of the Board.

L. I. HALL,
Secretary.

Toronto, August 17th, 1949.

CANADA WIRE & CABLE COMPANY

DIVIDEND NOTICES

The Board of Directors of this Company have today declared the following Dividends:

CLASS "A" COMMON

$1.00 per share on the outstanding Class "A" Common Stock of the Company, payable on the 15th of September, 1949, out of the amount previously set aside on the 14th of February, 1949, to Shareholders of record at August 31st, 1949.

CLASS "B" COMMON

An interim dividend of 50 cents per share on the outstanding Class "B" Common Stock of the Company, payable on the 15th of September, 1949, to Shareholders of record August 31st, 1949.

By Order of the Board.

A. I. SIMMONS,
Secretary.

Toronto, August 11, 1949.

CANADIAN CELANESE LIMITED

Montreal, Que.

The Board of Directors has this day taken the following action with respect to Dividends:

PREFERRED SHARES, $1.75 SERIES

Forty-three and three-quarter Cents (43¾c) per share, which shall be deemed to be for the three months period from July 1, 1949, to September 30, 1949, has been declared payable September 30, 1949 to the holders of record at the close of business on September 9, 1949.

PREFERRED SHARES, $1.00 SERIES

Twenty-five Cents (25c) per share, which shall be deemed to be for the three months period from July 1, 1949 to September 30, 1949, has been declared payable September 30, 1949 to the holders of record at the close of business on September 9, 1949.

COMMON STOCK

Thirty-five Cents (35c) per share in respect of the third quarter of 1949 has been declared payable September 30, 1949 to the holders of record at the close of business on September 9, 1949.

A. G. ALLAN,
Secretary.

August 16, 1949.

National Steel Car Corporation Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of thirty-seven and one-half cents (37½c) per share has been declared for the quarter ending September 30, 1949, payable on October 15, 1949, to shareholders of record at the close of business September 15, 1949.

By Order of the Board.

H. J. FARNAN,
Secretary.

BURRARD DRY DOCK COMPANY LIMITED

NOTICE IS HEREBY GIVEN that a quarterly dividend of .12c per share on the Class "A" shares of the Company has been declared for the quarter ending August 25th, 1949, payable on the 15th of September, 1949, to shareholders of record at the close of business on the 25th of August, 1949. The Transfer Books will not be closed.

By Order of the Board.

C. H. MORDY,
Secretary-Treasurer.

Vancouver, B.C.,
August 13th, 1949.

POWELL RIVER COMPANY LIMITED

NOTICE OF DIVIDEND NO. 19

A meeting of the Board of Directors of Powell River Company Limited was held on Thursday the 11th day of August, 1949, at which the following resolution was passed:

RESOLVED that the regular quarterly dividend of 50c. per share be paid on the issued shares of the Company in Canadian Funds on the 15th day of September, 1949, to shareholders of record as of the 24th day of August, 1949, and holders of share warrants.

Said dividend will be paid in respect of the shares specified in any bearer share warrant of the Company upon presentation and delivery of Coupon No. 19, at the Bank of Montreal in Vancouver, Montreal, Toronto, New York, Chicago or San Francisco, on or after September 15, 1949.

By Order of the Board.

JAMES H. LAWSON,
Secretary.

Vancouver, B. C.,
August 11th, 1949.

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

SATURDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September, 1949.

By order of the Board.

J. W. ROSE, Jr.,
Secretary.

TORONTO, August 17th, 1949.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of Fifteen cents (15c) per share for the quarter ending 30th September, 1949, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, payable 1st October, 1949, to shareholders of record 2nd September, 1949.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, August 17th, 1949.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarters per cent (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 30th September, 1949, payable 15th October, 1949, to shareholders of record 15th September, 1949.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, August 17th, 1949.

Proprietary Mines Limited

DIVIDEND NO. 48

NOTICE is hereby given that a Dividend of fifteen cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on September 28th, 1949, to shareholders of record at the close of business on August 31st, 1949.

By Order of the Board,

J. INGRAM,
Secretary-Treasurer.

Toronto, Ont.
August 16th, 1949.

Standard Paving & Materials Limited

Common Dividend Notice

Notice is hereby given that a half-yearly dividend of fifty cents per share has this day been declared on the common shares of the Company, payable on the 1st day of October, 1949, to shareholders of record on the 15th day of September, 1949.

By Order of the Board,

J. H. REID,
Secretary.

Toronto, Ontario, August 19, 1949.

Standard Paving & Materials Limited

Preferred Dividend Notice

Notice is hereby given that dividends upon the cumulative, redeemable, participating and transferable preference shares of the Company have this day been declared as follows:

A cumulative preference dividend of 31¼c per share;
A non-cumulative preference dividend of 31¼c per share;
A participating preference dividend of 12½c per share;

payable on the 1st day of October, 1949, to shareholders of record on the 15th day of September, 1949.

By Order of the Board,

J. H. REID,
Secretary.

Toronto, Ontario, August 19, 1949.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars per share for the quarter ending September 30, 1949, has been declared on the Common Stock of the Company.

The above dividend is payable October 1, 1949, to shareholders of record at the close of business September 15, 1949.

By order of the Board.

W. H. NESBITT, *Secretary.*

Toronto, August 18, 1949.

Foothills Oil & Gas Company, Limited

NOTICE OF DIVIDEND

NOTICE is hereby given that a Dividend of Twelve and one-half Cents per share has been declared payable to shareholders of the Company of record as such on the books of the Company at the close of business on FRIDAY, the 16th day of September, 1949, and that the said dividend will be payable on or after SATURDAY, the 1st day of October, 1949.

The Register of Transfers will be closed from the close of business on FRIDAY, the 16th day of September, 1949, until the opening of business on MONDAY, the 19th day of September, 1949.

By Order of the Board.

A. M. MANN,
Secretary.

CALGARY, Alberta,
August 19th, 1949.

Shares of the Company are transferable only at the Head Office of the Company, 300 Ninth Avenue West, CALGARY, Alberta.

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Newfoundland

All for University: Just before adjourning until Oct. 22, the legislature gave unanimous approval to bills for (a) establishment of a memorial university of Newfoundland; (b) a teacher-training program embodying a higher wage scale; and (c) incorporation in Newfoundland of the Maritime Association of Hospital Service (Blue Cross). The university will be created by expansion of Memorial University College, St. John's, eventually to confer the island's first home degrees in medicine, law, engineering, etc. Both education measures were endorsed by Opposition Leader John G. Higgins and other opposition members, some of whom urged the Government to move faster and farther than at present planned in creating the university.

Lumber Contracts Off: Because of scarcity of lumber contracts, 1,500 loggers have been thrown out of work in the Bonavista Bay east coast area. Usually employed early summer in the inshore fishery, these men then turn to lumbering in fall and winter. Their plight is made more serious by a poor fishing season.

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Prince Edward Is.

Potato Blight Shows: Late blight, bane of the Island potato growers' existence, made some appearance after recent rains. This infection, the only serious one now existent in the PEI industry, thrives in coastal areas or after rainfall. A spell of dry weather can keep the disease from becoming serious.

Irish Moss Bonanza: Recent storms benefited the Island's Irish moss industry. The product has been scarce for some time but the winds loosened it from rich beds and washed it ashore. Demand right now is very good and Island quality said better than that of moss imported from Europe prewar. Last year the product brought $100,000 to Island farmers.

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Nova Scotia

Power Expansion Delayed: Canada Electric Co.'s program to build a large power surplus at its Maccan plant has been delayed by failure of British manufacturers to fulfil their commitments in shipping valves, N. T. Avard, general manager, said at Amherst. It had been intended to celebrate the company's 60th anniversary along with the diamond jubilee of Amherst. Completion of the installation is now scheduled for October. New turbine added to three already in operation will give the plant a 100% stand-by against power shortage.

May Expand Air Base: Federal cabinet is expected to decide soon on a Dept. of Transport recommendation for enlargement of the sprawling Reserve air base on Cape Breton. Sydney Board of Trade President Gordon Elman told a Sydney meeting Ottawa might announce a $4 million program for Reserve.

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New Brunswick

Mines Ministers Meet: Fredericton September 7-10 will be host to the sixth annual conference of provincial ministers of mines. Leading scientific and engineering authorities, together with provincial ministers and deputies from nine provinces are in the list of delegates.

Mounties' Radio Net: A police radio network which ultimately will cover all Maritime provinces now is being built, according to RCMP division headquarters at Fredericton. System first will operate only in New Brunswick. Maritime network will be the Mounties' second — the other spreads across the Prairies. Initial construction plan calls for 300-ft. radio towers on Maryland Hill, near Fredericton, and Lutz Mountain, near Moncton, later supplemented by auxiliary stations to serve as connecting links with Prince Edward Island and Nova Scotia.

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Quebec

Chiropractic Scientific?: After sitting more than three months, a special commission of inquiry set up by the Quebec government and headed by Magistrate Joseph Marier of Quebec Sessions Court reported that "chiropractors have failed entirely in their task of establishing that their theory rests on a scientific foundation." The report said the "practice of manipulation of the spine, useless in most cases, is dangerous in a great number of other cases." It said, "Teaching dispensed in existing chiropractic schools is, according to the evidence, manifestly inferior to a reasonable standard, and this by avowal even of chiropractors." The commission was named to investigate the possibility of making the practice of chiropractic fully legal in Quebec.

Contest Election of Two: Actions to contest wins of Progressive Conservative Henri Courtemanche, Labelle, and Independent Dr. Raoul Poulin, Beauce, in the June 27 federal election were taken days apart in superior court at Mont Laurier and St. Joseph de Beauce. Georges Labelle, resident of Labelle riding, seeks to have Courtemanche unseated; his petition says Courtemanche (declared elected over Ernest Whissell, Liberal) wasn't a resident of Labelle and therefore had no right to vote in that riding, had done so although his name wasn't on the electoral list. In the other action, Arthur Bergeron and Mendoza Gilbert allege Dr. Poulin used "threats of a spiritual order" to bring electors to vote for him (in defeating Liberal Ludger Dionne); with 131 other allegations including a charge Dr. Poulin and his agents used "fraudulous" methods.

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Ontario

On the Screen Only: J. Arthur Rank's Odeon-Toronto theatre isn't going to sell liquor. Application for a dining lounge license for the theatre's restaurant was scheduled before the Ontario liquor license board in Toronto Aug. 22. The notice brought protest from United Church officials who appealed to Rank, English head of the Odeon theatre chain, "as a Christian citizen and prominent Methodist" to withdraw the application. Leonard W. Brockington, vice-president of Odeon Theatres (Canada) said "the principles and policies of Odeon theatres in Canada with reference to the sale of alcoholic beverages . . . does not permit such sale and will be observed in that theatre."

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Manitoba

'Hoppers Invasion Plan: Preliminary surveys by entomologists indicate the West may be in for a much more serious invasion of grasshoppers in 1950. Dominion Entomological Laboratory at Brandon report egg deposits early and high, that 1950 infestation is likely to be heavy in Red River valley. Another survey this fall will get a closer look at egg deposits, chart the scope of prevention measures required for next year.

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Saskatchewan

Cabinet Changes?: Rumors strengthened of a shakeup in the provincial cabinet. Regina Leader-Post said J. O. Probe, unsuccessful CCF candidate for Regina city in the federal election, may enter the cabinet; that Mr. Probe, former Regina school teacher "would seem to be a logical choice for minister of education providing he wishes to remain in public life." Education Minister W. S. Lloyd was seen as likely choice to head the health department should Premier Douglas decide to give it up.

$480,000 Fur Sale: Nearly $480,000 in sales featured the Saskatchewan fur marketing service sale in Regina. Prices were reported as up about 10% over recent offerings. An active market was recorded, with more than 30 buyers, several from New York, participating. Disposed of were 270,000 muskrat and 6,500 beaver skins, all finest prime fur. Some squirrel, timber wolf and coyotes also were sold.

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Alberta

Fear Rat Invasion: Albertans are wondering whether they can retain their enviable position as the only North American agricultural sector which doesn't harbor big rat colonies. "Great hordes" of rats now have pushed forward in neighboring Saskatchewan to within 15 miles of Alberta and in the area where the rats are feared likely to cross the border in greatest numbers, many prairie gophers are infected with bubonic plague, mainly in the east-central Hanna district, 140 miles northeast of Calgary. Provincial and municipal health officials are beginning to take Saskatchewan rats seriously.

More French Language Radio: The West's second French language radio station —first is at St. Boniface, Man.,—will be heard from Edmonton about October 1. It's Radio Edmonton Ltd.'s CHFA, licensed May, 1948, over objections from Protestant groups. With power of 5,000 watts and frequency 680 kilocycles it will broadcast mainly in French but with some programs in English. General manager is Romain LeClair, who's had considerable experience at a New Brunswick station.

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British Columbia

Wants CNR Directorship: Vancouver Board of Trade in a letter to Transport Minister Chevrier said appointment of a CNR director from British Columbia is needed in view of the province's increased importance in the national economy. The Board recommends that if necessary the Canadian National Railways Act be amended to provide for this. There is no vacancy on the railways' board.

U. S. Buys Power: In a transborder deal for power sale enabled by increase in generating capacity at B.C. Electric Co.'s Bridge River plant, the company will sell 30,000 kilowatts to five Washington and Oregon utility companies. A contract running to Sept. 30, 1951 has been taken by Pacific Power & Light, Portland General Electric, Washington Water Power, Puget Sound Power and Mountain States Power. The power will go over transmission lines of Bonneville Power Administration and Seattle City Light.

DIVIDEND NOTICES

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared for the quarter ending September 30th, 1949, on all issued common shares of the Company, payable on Saturday the 24th day of September, 1949, to shareholders of record at the close of business on Friday, the 9th day of September, 1949.

By order of the Board,

N. G. BARROW,
Secretary.

Toronto,
August 23rd, 1949.

DONNACONA PAPER COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $0.50 per share has been declared on the No Par value Common shares of the Company payable October 1st, 1949, to shareholders of record on the 1st day of September, 1949.

By Order of the Board.

P. L. FITZGERALD, C.G.A.,
Secretary.

Hollinger Consolidated Gold Mines, Limited

DIVIDEND NUMBER 401

A dividend of 6c per share has been declared by the Directors on the Capital Stock of the Company, payable on the 30th day of September, 1949, to shareholders of record at the close of business on the 2nd day of September, 1949.

Dated the 22nd day of August, 1949.

P. C. FINLAY,
Secretary.

NOTICES

NOTICE TO THE CREDITORS OF BARCELONA TRACTION LIGHT AND POWER CO. LTD.

PUBLIC NOTICE

I, ADOLFO FOURNIER CUADROS, Commissary Judge of the compulsory bankruptcy of the Company, Barcelona Traction Light & Power Company Limited, which is being dealt with before the Special Court sitting in Reus, hereby give notice:

THAT under date of yesterday a decision was given by the Superior Judge Senor don Alejandro Garcia Gomez, the Special Judge appointed by the Supreme Tribunal for trying the proceedings of bankruptcy above referred to, whereby it was directed that the first General Meeting of Creditors be convened for the appointment of "Sindicos" (Trustees in Bankruptcy) and for such purpose the nineteenth of September next was appointed, at eleven o'clock in the morning, at the Audience Chamber of the Court of First Instance in this city, and it was also decided that the creditors be cited in the manner laid down by Article 1342 of the Law of Civil Procedure and Article 1063 of the Commercial Code of 1829, and by public notices to those whose addresses are unknown.

AND for the purpose of serving as due citation to the creditors of the above mentioned Company whose addresses are unknown, the present notice is issued at Reus on this twenty-eighth day of July, One Thousand Nine Hundred and Forty-Nine.

The Commissary Judge,
Adolfo Fournier.

C. G. ANGAS

has been appointed manager for Canada of the Yorkshire Insurance Co., with head office for Canada at Montreal.

Who's On? Off? Is Hotel Query At Edmonton

From Our Own Correspondent

EDMONTON — "If half our hotel building projects were hotel rooms, we wouldn't be turning away conventions."

That was the cry of disappointed retailers and local trade promotion officials as the hotel project situation became even more confused this week.

There were rumors the $8 million "Glenton" scheme of Col. John Boright, Montreal, and the Hilton chain, might be dropped. The group's option on city property expires Nov. 30 (The Financial Post, June 4).

At the same time, Mayor Ainlay announced a "definite" plan by "an Edmonton group which has completed financing and other arrangements" for a spring start on building a $500,000 to $1 million, 3-story, 120-room hotel.

Plus this: Following acquisition of control of the Ford Hotels chain by Sheraton Corp., Boston (The Post, Aug. 20), when reference was made to "important construction plans," Ford-Sheraton is considering a project for hotel-short, oil-booming Edmonton. John C. Udd, Montreal, is president of Ford Hotels.

Meanwhile, the city is completing acquisition and clearing of land for the scheduled spring start on CNR's proposed $4.4 million extension to the Macdonald (The Post, Aug. 20).

LABOR ROUNDUP BY RONALD WILLIAMS

New Fight In Building Seen Hodmen's Union Rejected

Building contractor-employers admit they haven't heard the last of the demand of the AFL Hod Carriers & Common Laborers Union local 506 in Toronto for certification as bargaining agent and for a form of closed shop.

It was a demand ruthlessly backed this spring by a month-long strike supported by AFL unions of skilled trades and which paralyzed $80 millions of building construction.

This week the breach looked as wide as ever.

Union Business Manager Mike Nichols put before a routine meeting of the AFL Building & Construction Trades Council a notification from the Ontario Labor Relations Board that his application for certification as bargaining agent for Toronto area building laborers had been dismissed. The applicant union, the board said, "has not as members in good standing either (a) a majority of the employees of each of the respondents in a unit appropriate for collective bargaining, or (b) majority of the employees of the respondents collectively in a unit appropriate for collective bargaining."

In plain English: Building laborers as a class move from job to job, from employer to employer as work or inclination dictate. Except in rare instances they're not a firm group related to an individual contractor for continuous employment. Sometimes they are just seasonal employees, filling in until their normal occupation resumes. Such labor cannot be brought within the closed shop, according to most labor relations authorities.

Though the Board finding vindicates the stand taken by the employer-members of the Toronto Builders' Exchange, it doesn't please the powerful Building Trades Council which is thinking of sending its president, C. J. Woolsey in protest to Ontario Labor Minister Daley.

One complaint of the hod carriers' union is that the Labor Board "didn't give an adequate 'how' and 'why' of its decision"; that the AFL-representative on the board, Russell Hardy, was out of town when the decision was made "and so was Labor Deputy Minister J. B. Metzler on whose advice we called off the strike and sought certification."

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Tie Wages to Prices In Okanagan Industry

Fruit and vegetable packing workers in British Columbia have agreed to a new wage formula which gears pay to cost of production and selling price of the product.

Here's how it works: If the price of apples goes up 10 cents a box, the basic wage rate is increased by 36% of 10 cents, that is, by 3.6 cents.

If, at the same time, the cost of production increases 10 cents a box, the basic wage rate is reduced 16% of 10 cents, or by 1.6 cents. In this situation net wage increase would be two cents an hour and it would be automatic.

Basic wages are now 82 cents for men and 66 for women.

L. R. Stephens, secretary-manager of the employing group, Okanagan Federated Shippers' Association, looks for "four years of labor peace in the Okanagan fruit industry," as a result of the new formula.

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Seek Gas Price Increase in B.C.

The gasoline price problem has again been thrown into the laps of the British Columbia Coal & Petroleum Control Board. All oil companies operating in the province, with the exception of Home Oil (which would benefit anyway through its working arrangement with Imperial Oil) are applying for increases.

Price increases being asked range from 1c to 2½c a gallon. The fact that heavy fuel oil, an important refinery by-product in B. C., has dropped in price and is beginning to pile up in the refining area, is one of the chief factors behind the request for an upward gas price adjustment. Besides this, general operating costs have increased since the last price increase in March last year, refiners say.

This is the third request for an increase in B. C. gasoline prices in 18 months. The first two saw prices go up an over-all 5c a gallon. Last year price was raised 3c in January and 2c in March after oil companies went on a "strike" with the government. At that time, they claimed, price allowed by the government would not allow refiners to meet costs.

Tank wagon price is now 19.5c a gallon in Vancouver. Added to this is the provincial government tax of 10c, and a 4⅓ cents spread to retailers. Other sections of the province show higher prices, depending on distance from Vancouver.

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Grain Prices

Winnipeg Grain Futures

Week to Aug. 22, 1949

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Aug. 22
		Oats			
.74¼	.72¼	Oct.	.73⅝	.72¼	.73½
.72⅛	.69⅝	Dec.	.71⅜	.70⅝	.71⅛
.71⅝	.69⅝	May	.71⅛	.69¾	.70⅞
		Barley			
1.21½	1.13¼	Oct.	1.21½	1.15⅛	1.20½
1.17	1.10⅛	Dec.	1.17	1.10⅝	1.16
1.14¼	1.09⅛	May	1.14	1.09⅝	1.13
		Rye			
1.42⅞	1.21⅛	Oct.	1.32⅞	1.26⅞	1.30⅞
1.42⅜	1.31⅛	Dec.	1.34⅛	1.27⅝	1.31⅞
1.45⅛	1.31⅛	May	1.38⅛	1.31½	1.35⅞

Cash Quotations

	For Week Aug. 22 High	Low	Prev. Week High	Low
Oats				
2 C. W. ..	.74⅛	.72⅛	.76¼	.73
3 C. W. ..	.71⅝	.70⅛	.75¼	.70¼
Barley				
1 Feed ..	1.26¼	1.20⅛	1.25⅝	1.20⅛
2 Feed ..	1.26¼	1.20⅛	1.25⅝	1.20⅛
Rye				
2 C. W. ..	1.30⅝	1.27¼	1.32⅞	1.29⅞

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Lunward Consummates Deal With Anglo
$200,000 Put on Line to Start Work

This week a big new financing deal was completed by one of Canada's better gold prospects, Lunward Gold Mines, with one of Canada's biggest mine financing companies, Anglo-Huronian, acting through its exploration arm, Prospectors Airways.

Under the deal which has been under negotiation for some time (The Financial Post, Aug. 13), Lunward is assured of $200,000 for the underground development of its drill-indicated gold ore bodies near Sioux Lookout, secures access to the "know how" of Anglo-Huronian and Noranda Mines which has a large Anglo stake.

One New for Two Old

The deal, which will be placed before Lunward shareholders for their approval shortly, calls for formation of a new four million share company. The new company would acquire the Lunward property by issue of 1,180,003 of its own shares, equivalent to one half of the total Lunward shares presently outstanding. It is anticipated that the vendor's shares will not be pooled but will be distributed to Lunward shareholders on a one new for each two old basis.

Under the deal arranged, Prospectors Airways has agreed to purchase a million shares of the new company at 20 cents a share to provide a minimum of $200,000 for the proposed underground development program. Airways will receive options on 1,500,000 shares at an ascending scale of prices increasing from 50 cents to $1.50. If options are fully exercised, the company will be provided with a further $1,250,000 making a total of $1,450,000 in all. A total of 319,997 shares will remain unissued in the treasury of the new company. Prospectors Airways will manage the properties and direct operations.

Associated with Prospectors Airways is Tombill Gold Mines which has a 15% interest in the deal being completed.

Reid Report Key

Instrumental in interesting the Anglo-Huronian group in financing the project was a report by John A. Reid, consulting engineer, which indicated a higher average for ore grade than had previously been inferred for the property. Describing the occurrences, Mr. Reid outlines the situation in part as follows:

"The southern one (ore zone), called No. 1 has been explored by drilling for 3,850 ft. in length and the northern one (No. 2 and No. 3 showings) for 3,600 ft. These zones have a variable width which on the southern or No. 1 appears to average 150 ft. wide and on the northern zone 75 ft.; the ore showings, however, do not run parallel to the zones but appear to cross them obliquely both in direction and pitch and as the sampling and drilling was not done with this conception of structure in mind, the widths given have slight relation to the correct ones and are therefore not stated in the report."

The entire situation is summed up by Mr. Reid:

"Surface sampling on the south or No. 1 zone gives an average value of 0.328 oz. gold or $11.48 per ton, and by drilling, 0.358 oz. gold or $12.53 per ton to a vertical depth of 488 ft.; on the north No. 2 and No. 3 showings the surface sampling averaged 0.311 oz. gold or $10.89 per ton and by drilling 0.400 oz. gold or $14.00 per ton to a vertical depth of 500 ft. Now while these results do not indicate any tonnage and give only an approximation of the true grade (values are uncut), nevertheless they are very promising, in fact as good or even better than those obtained in the preliminary exploration of many successful mines. This taken in conjunction with the great length of the zones, amenability of the ore to the standard metallurgical treatment, its access to railway transportation and hydro-electric power causes the writer to consider the property of the Lunward, a gold prospect of sufficient merit to warrant extensive underground exploration."

Under the proposed program it is planned to initiate immediately, a shaft will be put down to a depth of 225 ft. for exploration of the No. 1 zone. A strike length of 1,000 ft. is to be opened up at the 150-ft. horizon. A minimum of 4,000 ft. of drilling is planned from the line drive for initial underground drill exploration of the structure.

RALPH H. TETLAW has been appointed to the new Toronto office of Robertson & Morgan, Montreal, general brokerage.

CHIPMAN LAKE URANIUM MINES has completed camps, was scheduled to have work under way on concession "F" in the Black Lake area, Saskatchewan, by Aug. 18.

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MINING INVESTMENTS

Coal, Oil, U_3O_8, Topics For Mine Minister Meet

While final agenda for sixth annual conference of Ministers of Mines (Fredericton Sept. 7-10) has not been fully decided, preliminary indications are that a number of important subjects will be up for discussion, among them coal, oil and gas, uranium oxide or U_3O_8.

Because of Canada's exchange problem, increased utilization of both eastern and western coal resources is regarded as a matter of importance, and also increased use of growing resources of the western petroleum industry. A subcommittee on coal, on which Ontario will be represented as a consumer, is expected to discuss present and potential markets for coal and derivatives; research on new uses for coal; and functions of the Dominion Coal Board.

A subcommittee on petroleum and natural gas is expected to meet with members of the continuing committee in this field. A year ago, ministers expressed concern regarding how Lloydminster oil could be utilized. It is recognized that the question of oil marketing is a considerably broader one today.

A subcommittee is expected to deal with metal mining with particular reference to the problems of the gold mining industry. Another will explore miscellaneous topics, including radioactive mineral regulations, mining taxes, and royalties, securities regulations, etc.

The Mines Ministers Conference is also interested in the technical side of mining, will likely discuss aerial photography and topographic mapping, geological surveys, assessment work allowances arising out of geophysical surveys, mining roads and landing facilities, etc.

* * *

Barymin Business Off

A reduction in immediate demand for barytes has occasioned a sharp reduction in operations at the Barymin subsidiary, Canadian Industrial Minerals, The Financial Post learns. Rate of operations was apparently cut to the bone recently when storage capacity was filled. But it is thought that after the next boat relieves the storage situation, operations will be on a higher scale.

According to a despatch from Windsor, Nova Scotia, about 75 men have been laid off by CIM, leaving "about a dozen" retained at the barytes mill. The Post, understands, however, that retained staff is somewhat larger.

Cessation of export shipments due to currency restrictions are stated to have been an important factor for the last two years and have affected operations. Officials deny any knowledge that competition of "byproducts of other minerals, such as iron ore" have been a factor in forcing curtailment as suggested in the despatch.

* * *

Keenleyside on Metals

When Dr. H. L. Keenleyside, Dominion Deputy Minister of Mines, last week spoke on "Critical Metal Shortages" before the United Nations Scientific Conference, his statements on how the world is using up its mineral resources through the madness of war received wide attention. His suggestions on how we can avoid a metals' famine — outside of avoidance of war—received little attention.

Briefly, Dr. Keenleyside pins his hopes for solving minerals problems through three main courses of action:

1. Intensification of the search for new ore bodies using the latest scientific aids to a greater degree.
2. Further improving techniques of mining ore, and refinement of processes for treating ore and extraction of metals.
3. Substitution of metals in plentiful supply, and plastics, for metals which are liable to prove in short supply.

"There is no serious and immediate over-all and irreplaceable shortage of any essential mineral," Dr. Keenleyside pointed out. The problem is one which can conceivably be solved before it becomes critical. However, the quantity of mineral products consumed between 1900 and 1949 far exceeds that of the whole preceding period of man's existence on earth so that there is no reason for complacency, Dr. Keenleyside points out.

1948 Oil Review Issued By Alta.

"So rapidly has the development of Alberta oil fields progressed during the past year that the problem is no longer one of production but of its transportation and marketing," declares the 1948 edition of the Alberta Oil Review published by Alberta Department of Economic Affairs.

The Alberta 1948 output of 10,973,583 bbl. of oil not only represented a four million barrel increase over the previous year but was itself the highest output on record, coming after the successive declines of the preceding seven years. The 1942 record was 10,136,296 bbl.

The 1948 Alberta Oil Review tells the story of the part Leduc and Redwater have played in boosting western Canada oil potential, refers to the importance of Schoepp and other oil discoveries.

WEST WASA MINES reports securing ore values in shallow drilling of surface outcrops on the Aldermac property at a location 150 ft. west of the shaft. An 8-ft. core length returned commercial copper-zinc-silver values in hole No. 50 while 8.5 ft. of mineralization showed in hole No. 51. After drilling a further hole in this location, testing is planned of a gossan area exposed by bulldozer a further 150 ft. to the west.

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Roaster Finished At Isle of Pines

The new roaster at Isle of Pines has been completed and President C. H. E. Stewart saw the first test charge put into it on a recent visit to the property, The Financial Post is informed.

Not only will the roaster increase efficiency by reducing freight and smelter charges on concentrates but it is also expected to release a considerable amount of working capital at present tied up in the stockpile. A total of 1,875 oz. of gold is reported tied up in 935 tons of concentrates. In addition there are approximately 107 tons of sinter on hand averaging about seven ounces gold per ton.

It is expected milling rate will be doubled from the present level of about 110 tons daily after the third level is placed in operation. The new shaft is now 70 ft. below the 2nd level with about a further 80 ft. to go to completion. The new parallel ore has been picked up in a second hole and systematic drilling of both walls is being completed to pick up other occurrences.

Nicholson No. 1 Shaft Reaches 150-ft. Level

Sinking of the No. 1 shaft at Nicholson Mines had reached a depth of 150 ft. with fast time being made recently, The Financial Post is informed.

The headframe is now going up at No. 2 shaft to be ready for sinking when plant and crew become available from the No. 1 shaft job.

All post holes are reported excavated for the power line with over half the poles now installed.

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Do You Know...

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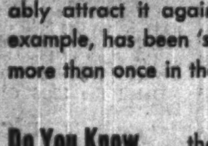
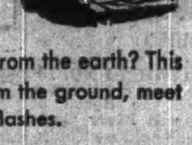
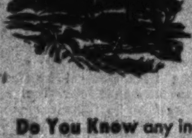


Despite popular belief it has been proved that lightning can and does strike in the same place more than once. Any substance or building which attracts a discharge of lightning once will probably attract it again and again. The Empire State Building, for example, has been 'struck' by lightning scores of times — sometimes more than once in the same storm.



Do You Know ... that each flash of lightning is not necessarily followed by a crash of thunder? Silent lightning is not unusual.

Do You Know ... that lightning often comes up from the earth? This happens when charges of electricity shoot up from the ground, meet discharges from the clouds and cause lightning flashes.



Do You Know ... that lightning does not zigzag, as it is popularly believed? Scientific investigation has shown that lightning travels in a long irregular, ribbon-like line — it is never acutely angled.

Do You Know any interesting and unusual facts? Our "Advisory Panel" will pay $25 for any authenticated readers' submissions if they are usable. All letters become our property. Write Black Horse Brewery, Station L, Montreal, P.Q.

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Upper Canada New Hole in Major Zone Work to East at 1,750 Still in Ore

By GORDON M. GRANT

Dead centre in its big mining property which covers an east-west strike length of 2½ miles, Upper Canada Mines has indications of ore in a major structure which may shortly prove of first importance.

A drill hole put out at the 1,000-ft. level at the No. 2 shaft has intersected a zone 450 ft. north of the main "L" ore zone. The new zone shows a true width of 72.5 ft. averaging $9.82 a ton—or 78.4 ft. of $8.28 grade taking a somewhat greater width.

As the widest ore mined previously at U. C. ran only 24-26 ft. across and that was at junctures of ore structures, there is definite hope of large tonnages, low costs.

A Big Structure

The zone is already known to extend down to the 1,750-ft. level with enrichments from an earlier hole and appears to be a true parallel occurence to the "L" structure. It can be traced at surface over a length of close to miles. Plunge of the newly-indicated ore is not known; naturally the whole of the new structure is not going to make ore. But it is unquestionably important and the management is already crosscutting towards it at the 1,000-ft. level. Structure is expected to be worked out using drill setups from various levels. Stub crosscuts will likely be put through the showing at intervals to assist in its evaluation.

The structure is a big altered zone which had been previously indicated north of No. 1 shaft to the east, as well as far to the west. A solitary drill hole 4,500 ft. to the west returned $182 over 1.5 ft. in what is believed to be extension of the same structure. In the No. 2 shaft vicinity, old surface drilling only reached the structure in one hole.

Assays from the rich hole have been rechecked. Values were pretty continuous right through the ore section. It was not a case of one or two extremely high values giving a good average over a big width.

1,750 Level Looks Good

Work to the east at the 1,750-ft. level has been giving some very good ore at a horizon which proved rather barren in initial work. Development heading to the east at the 1,750-ft level has been returning good ore almost continuously since June 15. There must be quite an ore length at this horizon by the present time. Much of the stuff has run far better than mine average.

Of importance too is a rich new parallel section which has returned $60 ore recently. Opened on two levels so far, this new section is expected to prove a valuable sweetener for future operations. It appears almost of the "jewelry box" variety.

Upper Canada has been pursuing a policy of maintaining a modest exploration budget in line with conservative practice but officials are fully alive to the fact that there are a number of further breaks for which exploration is a "must" when circumstances permit. There is another half mile of property to the north and a number of east-west breaks to be examined. There is a break 600 ft. to the south of "L" structure which showed enrichment in a couple of holes and which warrants further work. There is quite a bit of ground between that break and the Queenston operation for testing as well.

Surface diamond drilling some time ago 3,000 ft. west of No. 2 shaft in former Eastward ground returned commercial values across stoping widths at a vertical depth of 500 ft. Structure is reported similar to that of "L" structure. Further work can be expected there.

Production has been showing little change recently, may be running a shade better than in the June quarter. In the three months ended June 30, 1949, $330,057 was recovered from 29,779 tons of ore milled as against $302,435 from 29,099 tons in the preceding quarter. Underground labor force is entirely adequate and there are no difficulties on this score.

The mill of Upper Canada could be increased to 700 tons capacity without great expense should disclosures warrant. However, considerable work will have to be done before a drill hole can be converted into a new mine. If the indicated ore body stands up under development, tonnage implications could quite readily warrant a doubling of mill capacity.

OIL PRODUCTION

Alta. Oil Output Climbs To Highest Level Ever

From Our Own Correspondent

CALGARY—A record high of 61,078 bbl. daily was chalked up for Alberta production in the week just completed. A total of 932 wells turned out the oil to break the previous record of 58.364 bbl. daily set last March.

The new high for production rather suggests a slight expansion in the market for western Canada oil as completed wells are capable of producing far beyond present level of output.

Here is how the production picture stacked up last week by fields:

Leduc—Woodbend—28,053 bbl. produced daily from 302 wells, an average of 93 bbl. per well.

Redwater—18,347 bbl. produced daily from 134 wells with an average output of 137 bbl. per well.

Turner Valley—10,345 bbl. of crude a day from 307 wells, an average of 34 bbl. daily; 1,093 bbl. of natural gasoline a day.

Lloydminster — Alberta side—2,576 bbl. daily from 86 wells, an average of 30 bbl. per well.

All other fields—664 bbl. daily from 103 wells or six bbl. per day.

• • •

Eight Successes

Eight successful wells and one failure were completed in the Redwater and Leduc fields during the past week. There were four successes in both Redwater and Leduc. The failure was a Redwater test which proved too low on structure and got water.

Imperial Oil completed five wells — all successful — three of them at Leduc, two in the lush Redwater field. Initial potential rates of the new producers ran from 984 to 1,505 bbl. but all will be held down to very restricted production due to limited markets at present available.

Canadian Gulf Oil chalked up its 10th Redwater success with its latest completion showing a 1,100 bbl. potential.

Calmar West Oils obtained its first production with its initial Leduc success showing a 1,920 bbl. potential from D2 zone. Ed-Bridge Petroleum Co. secured only water at its Redwater test, a farmout from the Pacific-Sunray-Princess-Calvan team.

• • •

Time Drills Well

J. A. Scrymgeour of Federated Petroleum advises its exploration company, Time Oils Ltd., has commenced the drilling of a new wildcat well about 70 miles northeast of Edmonton in cooperation with the Barnsdall Oil Co., Honolulu Oil Corp. and Seaboard Oil Co. This new well, called Vilna-Time No. 1, is located on a 96,000-acre crown reservation held by Time Oils Ltd.

La Luz Profit Jumps Sharply

Increased power generation capacity and better water supply conditions permitted La Luz Mines to show a sharp improvement in both production and earnings in three months ended June 30, 1949, General Manager H. S. McGowan reports.

During the period 126,665 tons of ore were milled, an increase of almost 15,000 tons over June, 1948, tonnage. Operating profit amounted to $143,869 as against $58,315, bringing operating profit for the first nine months of this fiscal year to $380,984.

Recovery per ton showed an increase to $4.82 from $4.55 and total production rose from $508,835 to $610,684. The higher recovery is attributed to receipt of a higher price for gold sold rather than a higher ore grade.

An increase in capital expenditures to $176,691 in the June quarter is stated to be an indication that materials required for expansion of the mill to 2,000 tons daily capacity are being received. All phases of the expansion program are making satisfactory progress with the exception of the underground program. Caving has made it necessary to replace considerable steel and concrete in the crushing station and this work has been slow and expensive, it is stated.

Mr. McGowan states that it is expected that there will be an increase in tonnage milled in the final quarter of the year which should be reflected in increased earnings.

Open Ore West At Porc. Reef

Further diamond drilling and lateral work west of the diabase dyke at Porcupine Reef Gold Mines indicate that an important ore tonnage is going to be opened in this section, President Bert W. Lang informs The Financial Post.

All initial ore was found in the area east of the dyke so that ore to the west broadens the picture materially.

After a drill hole put out to the northwest at the 500-ft. level had returned two ore intersections of 0.40 oz. over 11 ft. and 2.10 oz. over 3 ft., a drill hole just put out due west from the end of the 500-ft. level drift returned three ore grade intersections separated by sections of waste. Assays were: 0.95 oz. over 5 ft.; 0.32 oz. over 5 ft.; and 0.65 oz. over 5 ft.

Over 300 ft. ore on 350

At the 350-ft. level, a drift length of 193 ft. showed an uncut value of 0.52 oz. over 8 ft. (0.33 oz. cut) on chip sampling. A further length of 130 ft. returned 1,[illegible] tons which averaged 0.50 oz., the ore from this section being diluted with waste.

Indications are that the zone runs south of west and north of east. If the zone extends far enough, it may go into the adjoining Hugh Pam property.

The new zone, which has now been indicated on three levels, will be further opened up by extending the drift at the 500-ft. level. Drilling will be done to locate its downward extension at the 650-ft. horizon. It is believed that the zone can be picked up by deepening earlier holes put out at this level.

Porcupine Reef is also intersected in the rich Bonetal drill intersection of 2.4 oz. over 7 ft. in the faulted section of a vein. A 10% interest is held by Porcupine Reef in any profits won from treatment of ore from the western part of the Bonetal ground.

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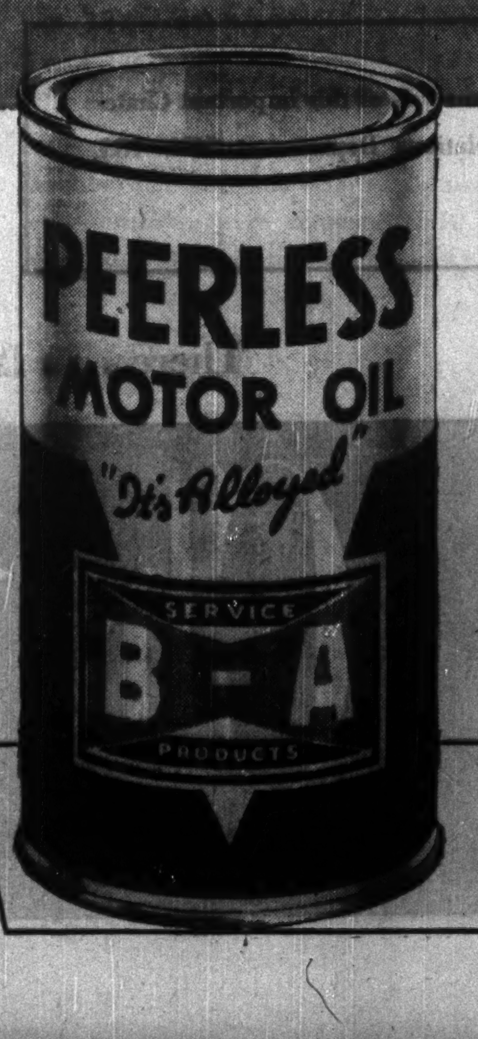
"It's Alloyed"


"Peerless customers never seem to have very big repair bills around our garage. There certainly must be something to the Peerless Economy story", says Roy Hay, Belmont Service, 6th & Belmont Sts., New Westminster, B.C.
"My regular PEERLESS customers seldom complain about engine performance. It certainly makes a difference", states Harold Felide, B-A Dealer, 999 Barton Street East, Hamilton, Ontario.
"We make it a rule around our place to bring oil to a safe driving level. I have seen too many take chances with the result that costly damage has been done through lack of oil. It pays to use a good oil regularly", says Marcel Thibault, Route Trans Canada, Lauzon, Quebec.
THE BRITISH AMERICAN OIL COMPANY LIMITED

69% say MAGAZINES ---for food ideas!

In the biggest survey ever conducted by Chatelaine on the food buying and serving habits of Canadian women these startling facts were revealed:

WOMEN GET MOST OF THEIR IDEAS FOR NEW RECIPES FROM MAGAZINES

69% of women said they got most of their ideas for new recipes from magazines. 15% said from newspapers. 15% said, on boxes or with products.

WOMEN ENJOY EXPERIMENTAL COOKERY

So said 86% of women answering questionnaires. 66% said their husbands didn't seem to care much about new dishes and seemed satisfied without them.

HOME BAKING IS NOT CONFINED TO RURAL COMMUNITIES

96% of the questionnaires showed women, both urban and rural, do some home baking.

WOMEN ARE BAKING MORE

In the larger cities women are baking more than they did before the cost of living began to rise. 25% bake bread. 17% bake bread in cities of 30,000 or more. 75% use packaged prepared mixes such as . . . pudding mixes . . . pancake mixes . . . tea-biscuit mixes.

68% USE READY-TO-EAT CEREALS

72% in cities . . . 69% in $2,500 to $5,000 income groups.

If you would like to have the complete analysis of this important Chatelaine Food Survey, write Consumer Relations Department "F". 481 University Avenue, Toronto 2.

HERE IS A TREMENDOUS MARKET FOR FOOD

. . . the Chatelaine market of over 325,000 homes, with a high degree of interest in food. Chatelaines love to cook, and they look to Chatelaine for help in meal planning and food buying.

SAVE MONEY AND GET RESULTS

Chatelaine is the *most effective* and *efficient* medium to tap this rich market for food . . . and many other goods and services. *You* can advertise to this billion-dollar market with full pages for *less than 1c a home* . . . in color or faithful black and white advertising pages.

Mary Jukes, Editor, Consumer Relations Department surrounded by the food questionnaires.

Questionnaires, each asking 84 separate questions, were mailed to 2,000 active members, composing the Chatelaine Consumer Council across Canada. 1,900 questionnaires were returned *fully filled in.* A startling revelation of the interest in Chatelaine, and the loyalty of Chatelaine subscribers.

There . . . IS . . . A Difference

DOMINION SQUARE BUILDING
MONTREAL

Chatelaine
The Canadian Woman's Magazine
A MACLEAN-HUNTER Publication

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